THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If your have sold or transferred all your shares in **Lai Sun Garment (International) Limited**, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s), or to the licensed securities dealer, registered institution in securities, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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LAI SUN GARMENT

Lai Sun Garment (International) Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 191)

CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF FINANCIAL ASSISTANCE FRAMEWORK AGREEMENTS
AND
NOTICE OF GENERAL MEETING

Independent Financial Adviser to
Independent Board Committee and Independent Shareholders

Gram Capital Limited
嘉林資本有限公司

Capitalised terms used in the lower portion of this cover page shall have the respective meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 10 to 39 of this circular. The notice convening the General Meeting to be held at Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Friday, 19 December 2025 at 12:50 p.m. (or as soon thereafter as the 2025 AGM convened at the same place and on the same date at 12:00 noon shall have been concluded or adjourned) is set out on pages GM-1 to GM-4 of this circular.

Shareholders are advised to read the notice of the General Meeting and if you are not able to attend the General Meeting or any adjournment thereof (as the case may be) in person but wish to exercise your right as a Shareholder, please complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof (as the case may be) should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

No refreshments or corporate gifts will be provided at the General Meeting.

Hong Kong, 4 December 2025

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ACCOMPANYING DOCUMENT: FORM OF PROXY

This circular in both English and Chinese is available in printed form and published on the respective websites of the Company at https://www.laisun.com and Hong Kong Exchanges and Clearing Limited at https://www.hkexnews.hk. The English version will prevail in case of any inconsistency between the English and the Chinese versions of this circular.

In this circular, unless the context otherwise requires, the following expressions have the following respective meanings:

"2025 AGM"	the annual general meeting of the Company to be convened and held at Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Friday, 19 December 2025 at 12:00 noon or at any adjournment thereof;
"Annual Caps"	the LSG Annual Caps and the LSD Annual Caps, collectively; and an "**Annual Cap**" shall mean any one of them;
"associate(s)"	has the meaning ascribed to it under the Listing Rules;
"Board"	the board of Directors;
"Borrower(s)"	member(s) of the LSD Borrower Group or the LF Borrower Group receiving financial assistance pursuant to the Financial Assistance Framework Agreements;
"Borrower Group(s)"	the LSD Borrower Group and the LF Borrower Group, collectively; and a "**Borrower Group Company(ies)**" shall mean any member of the Borrower Group(s);
"close associate(s)"	has the meaning ascribed to it under the Listing Rules;
"Company" or "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);
"connected person(s)"	has the meaning ascribed to it under the Listing Rules;
"connected subsidiary"	has the meaning ascribed to it under the Listing Rules;
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules;
"Director(s)"	the director(s) of the Company;

"disclosures of interests"	the disclosures of interests pursuant to Part XV of the SFO or otherwise;
"Dr. Peter Lam"	Dr. Lam Kin Ngok, Peter, the ultimate controlling shareholder of the Company and LSD, the chairman and an executive director of each of the Company, LSD and LF;
"eSun"	eSun Holdings Limited (豐德麗控股有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 571), and is indirectly owned as to approximately 63.40% by LSD as at the Latest Practicable Date;
"eSun Group"	eSun and its subsidiaries;
"Existing LSD-LF Annual Caps"	the annual caps set in respect of the Intercompany Loan Transactions contemplated under the LSD-LF Framework Agreement for each of the financial years during the Initial Term;
"Existing LSD-LF Loan Transaction(s)"	the financial assistance provided by a LSD Lender Group Company to a LF Borrower Group Company from time to time pursuant to the terms of the LSD-LF Framework Agreement during the Initial Term;
"Existing LSG-LF Annual Caps"	the annual caps set in respect of the Intercompany Loan Transactions contemplated under the LSG-LF Framework Agreement for each of the financial years during the Initial Term;
"Existing LSG-LF Loan Transaction(s)"	the financial assistance provided by a LSG Lender Group Company to a LF Borrower Group Company from time to time pursuant to the terms of the LSG-LF Framework Agreement during the Initial Term;
"Existing LSG-LSD Annual Caps"	the annual caps set in respect of the Intercompany Loan Transactions contemplated under the LSG-LSD Framework Agreement for each of the financial years during the Initial Term;

"Existing LSG-LSD Loan Transaction(s)"	the financial assistance provided by a LSG Lender Group Company to a LSD Borrower Group Company from time to time pursuant to the terms of the LSG-LSD Framework Agreement during the Initial Term;
"Financial Assistance Framework Agreement(s)"	the LSG Financial Assistance Framework Agreements and the LSD Financial Assistance Framework Agreement, collectively;
"General Meeting"	a general meeting of the Company to be held to seek approval from the Independent Shareholders in respect of (i) the automatic renewal of the two LSG Financial Assistance Framework Agreements by the Company (as lender); (ii) the Intercompany Loan Transactions contemplated under the two LSG Financial Assistance Framework Agreements; (iii) the LSG Annual Caps; (iv) the automatic renewal of the LSD Financial Assistance Framework Agreement by LSD (as lender); (v) the Intercompany Loan Transactions contemplated under the LSD Financial Assistance Framework Agreement; and (vi) the LSD-LF Annual Caps;
"General Terms"	general terms applicable to the Intercompany Loan Transactions as set out in the section headed "General Terms of the Intercompany Loan Transactions" in this circular;
"GFA"	gross floor area;
"Gram Capital" or "Independent Financial Adviser"	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the automatic renewal of Financial Assistance Framework Agreements, the Intercompany Loan Transactions contemplated thereunder and the Annual Caps;
"Group"	the Company and its subsidiaries (including, for the avoidance of doubt, the LSD Group);

"HIBOR"	the Hong Kong interbank offered rate administered by the Treasury Markets Association (or any other person which takes over the administration of that rate) for HK$ for the relevant period;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"HKEX"	Hong Kong Exchanges and Clearing Limited;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Board Committee"	the independent board committee of the Company established by the Board comprising all the independent non-executive Directors;
"Independent Shareholders"	the Shareholders other than (a) the Yu Shareholders, who, on the basis of their disclosures of interests in the Company, LSD and LF as at the Latest Practicable Date, will be required under the Listing Rules to abstain from voting on the resolutions to be proposed at the General Meeting, and their close associates; and (b) any other Shareholder who has a material interest in any of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder, and will be required under the Listing Rules to abstain from voting on the relevant resolutions to be proposed at the General Meeting, and their close associates. For the avoidance of doubt, the Independent Shareholders include Dr. Peter Lam, Wisdoman and Madam U;
"Initial Term"	the initial term of the Financial Assistance Framework Agreements commenced from 1 January 2023 and expiring on 31 December 2025;
"Intercompany Loan(s)"	loan(s) granted by a relevant Lender to a relevant Borrower under the Intercompany Loan Transaction;
"Intercompany Loan Transaction(s)"	the LSG-LSD Loan Transactions, the LSG-LF Loan Transactions and the LSD-LF Loan Transactions, collectively;

"Joint Announcement"	the announcement dated 28 November 2025 jointly made by the Company and LSD in relation to, *inter alia*, the renewal of the Financial Assistance Framework Agreements;
"Joy Mind"	Joy Mind Limited (欣楚有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
"Latest Practicable Date"	28 November 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular prior to its publication;
"Lender(s)"	member(s) of the LSG Lender Group or LSD Lender Group providing financial assistance pursuant to the Financial Assistance Framework Agreements;
"Lender Group(s)"	the LSG Lender Group and the LSD Lender Group, collectively; and a "**Lender Group Company(ies)**" shall mean any member of the Lender Group(s);
"LF"	Lai Fung Holdings Limited (麗豐控股有限公司), 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 (Stock Code: 1125), and is indirectly owned as to approximately 55.08% by LSD as at the Latest Practicable Date;
"LF Borrower Group"	LF Group in the capacity as borrower under the Intercompany Loan Transactions; and "**LF Borrower Group Company(ies)**" shall mean any member of the LF Borrower Group;
"LF Group"	LF and its subsidiaries;
"LF Shares"	the shares in the issued share capital of LF;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time);

"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 Annual Caps"	LSD-LF Annual Caps;
"LSD Borrower Group"	LSD Group (excluding the LF Group and the eSun Group) in the capacity as borrower under the Intercompany Loan Transactions; and "**LSD Borrower Group Company(ies)**" shall mean any member of the LSD Borrower Group;
"LSD Directors"	the directors of LSD;
"LSD Financial Assistance Framework Agreement"	the LSD-LF Framework Agreement;
"LSD Group"	LSD and its subsidiaries (including, for the avoidance of doubt, the LF Group);
"LSD Lender Group"	LSD Group (excluding the LF Group and the eSun Group) in the capacity as lender under the Intercompany Loan Transactions; and "**LSD Lender Group Company(ies)**" shall mean any member of the LSD Lender Group;
"LSD-LF Annual Caps"	the annual caps set in respect of the Intercompany Loan Transactions contemplated under the LSD-LF Framework Agreement for each of the financial years during the Renewed Term;
"LSD-LF Framework Agreement"	the financial assistance framework agreement dated 9 September 2022 and entered into between the LSD and LF in relation to the provision of financial assistance in the form of unsecured bilateral loans by member(s) of the LSD Lender Group (as lender) to member(s) of the LF Borrower Group (as borrower) from time to time during the term thereof;

"LSD-LF Loan Transaction(s)"	the financial assistance to be provided by a LSD Lender Group Company to a LF Borrower Group Company from time to time pursuant to the terms of the LSD-LF Framework Agreement;
"LSD Shares"	the shares in the issued share capital of LSD;
"LSG Annual Caps"	the LSG-LSD Annual Caps and the LSG-LF Annual Caps, collectively;
"LSG Financial Assistance Framework Agreements"	the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement, collectively;
"LSG Lender Group"	the Group (excluding the LSD Group) in the capacity as lender under the Intercompany Loan Transactions; and "**LSG Lender Group Company(ies)**" shall mean any member of the LSG Lender Group;
"LSG-LF Annual Caps"	the annual caps set in respect of the Intercompany Loan Transactions contemplated under the LSG-LF Framework Agreement for each of the financial years during the Renewed Term;
"LSG-LF Framework Agreement"	the financial assistance framework agreement dated 9 September 2022 and entered into between the Company and LF in relation to the provision of financial assistance in the form of unsecured bilateral loans by member(s) of the LSG Lender Group (as lender) to member(s) of the LF Borrower Group (as borrower) from time to time during the term thereof;
"LSG-LF Loan Transaction(s)"	the financial assistance to be provided by a LSG Lender Group Company to a LF Borrower Group Company from time to time pursuant to the terms of the LSG-LF Framework Agreement;
"LSG-LSD Annual Caps"	the annual caps set in respect of the Intercompany Loan Transactions contemplated under the LSG-LSD Framework Agreement for each of the financial years during the Renewed Term;

"LSG-LSD Framework Agreement"	the financial assistance framework agreement dated 9 September 2022 and entered into between the Company and LSD in relation to the provision of financial assistance in the form of unsecured bilateral loans by member(s) of the LSG Lender Group (as lender) to member(s) of the LSD Borrower Group (as borrower) from time to time during the term thereof;
"LSG-LSD Loan Transaction(s)"	the financial assistance to be provided by a LSG Lender Group Company to a LSD Borrower Group Company from time to time pursuant to the terms of the LSG-LSD Framework Agreement;
"Madam U"	Madam U Po Chu, an executive director of the Company and LF, a non-executive director of LSD, and Dr. Peter Lam's mother;
"Mr. Lester Lam"	Mr. Lam Hau Yin, Lester, an executive director of the Company (and an alternate director to Madam U as an executive director of the Company) and LSD (and an alternate director to Madam U as a non-executive director of LSD), the chief executive officer and an executive director of LF (and an alternate director to Madam U as an executive director of LF), and Dr. Peter Lam's son;
"PRC"	the People's Republic of China and for the purpose of this circular, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan;
"Renewed Term"	the renewed term of the Financial Assistance Framework Agreements commencing from 1 January 2026 and expiring on 31 December 2028;
"RMB"	Renminbi, the lawful currency of the PRC;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time);
"Share(s)"	the share(s) in the issued share capital of the Company;
"Shareholder(s)"	the holder(s) of Shares;

"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;
"Wisdoman"	Wisdoman Limited (善晴有限公司), a company incorporated in Hong Kong with limited liability and wholly-owned by Dr. Peter Lam, together with Dr. Peter Lam, are controlling shareholders of the Company;
"Yu Shareholders"	Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk;
"Zimba"	Zimba International Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company; and
"%"	per cent.



LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 191)

Executive Directors:
Dr. Lam Kin Ngok, Peter, *GBM, GBS (Chairman)*
Mr. Yang Yiu Chong, Ronald Jeffrey
Mr. Cheung Sum, Sam *(Group Chief Financial Officer)*
Mr. Lam Hau Yin, Lester
(also alternate director to Madam U Po Chu)
Mr. Lam Kin Hong, Matthew
Madam U Po Chu

Independent Non-executive Directors:
Mr. Chow Bing Chiu
Mr. Lam Bing Kwan
Mr. Leung Shu Yin, William
Mr. Ng Chi Ho, Dennis

Registered Office:
11th Floor
Lai Sun Commercial Centre
680 Cheung Sha Wan Road
Kowloon
Hong Kong

4 December 2025

To the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS RENEWAL OF FINANCIAL ASSISTANCE FRAMEWORK AGREEMENTS AND NOTICE OF GENERAL MEETING

1. INTRODUCTION

Reference is made to the Joint Announcement. This circular contains (i) information on the Financial Assistance Framework Agreements and the Intercompany Loan Transactions respectively contemplated thereunder, the proposed Annual Caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders; (iv) certain financial information of the Group; (v) a notice of the General Meeting; and (vi) other information as required under the Listing Rules.

2. LSG FINANCIAL ASSISTANCE FRAMEWORK AGREEMENTS

On 9 September 2022, the Company entered into, among others, the LSG-LSD Framework Agreement and LSG-LF Framework Agreement respectively with LSD and LF (each a connected subsidiary of the Company) in respect of financial assistance to be provided by LSG Lender Group Companies to, among others, LSD Borrower Group Companies and LF Borrower Group Companies, respectively, from time to time. Each of the two LSG Financial Assistance Framework Agreements was for an Initial Term of three years commenced from 1 January 2023 and expiring on 31 December 2025, which will be automatically renewed for subsequent periods of three years, subject to the determination of new annual caps for the Renewed Term and the Company's due compliance with all applicable requirements of the Listing Rules.

On 28 November 2025, the Company and each of LSD and LF agreed to renew the LSG-LSD Framework Agreement and LSG-LF Framework Agreement respectively upon the expiry of the Initial Term on 31 December 2025 for a further term of three years, i.e. up to and including 31 December 2028. There has been no change to the terms of the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement since they were entered into on 9 September 2022.

(1) LSG-LSD Framework Agreement

Principal Terms of the LSG-LSD Framework Agreement

The principal terms of the LSG-LSD Framework Agreement are as follows:

Date:	9 September 2022
Parties:	the Company (as lender) and LSD (as borrower)
Term:	Commenced from 1 January 2023 and expiring on 31 December 2025 and thereafter to be automatically renewed for subsequent periods of three (3) years on the same terms and conditions unless terminated, provided always that the renewal of the term shall be conditional upon (i) the Company having determined new annual caps to apply for the Renewed Term; and (ii) the Company's due compliance with all applicable requirements of the Listing Rules (including the requirement to obtain independent shareholders' approval, if applicable).

LSG-LSD Loan Transactions: At any time during the term, any LSG Lender Group Company (as lender) and any LSD Borrower Group Company (as borrower) may enter into LSG-LSD Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each LSG-LSD Loan Transaction shall fully comply with the terms and conditions of the LSG-LSD Framework Agreement.

General Terms: See the section headed "General Terms of the Intercompany Loan Transactions" below for the General Terms agreed between the parties in respect of each LSG-LSD Loan Transaction to be entered into during the term.

Termination: The LSG-LSD Framework Agreement may be terminated, *inter alia*, at any time by either party giving not less than one (1) month's prior written notice to the other party; by either party if the other party commits a material breach of any of the provisions of the LSG-LSD Framework Agreement; or by either party if the other party has become insolvent or is subject to any winding-up, liquidation or analogous proceedings.

In the event that LSD ceases to be a connected person of the Company, or the LSG-LSD Loan Transactions cease to be subject to the requirements of the Listing Rules in relation to continuing connected transactions, the parties may (but shall not be obliged to) terminate the LSG-LSD Framework Agreement by way of mutual agreement in writing.

Other terms: In additional to the General Terms, the parties have further agreed that the proceeds of each LSG-LSD Loan Transaction shall be used by the LSD Borrower Group for general corporate and working capital purposes and, for the avoidance of doubt, not for onward lending to the LF Group.

Renewal Conditions: The renewal of the LSG-LSD Framework Agreement is conditional upon LSG having obtained independent shareholders' approval in accordance with the applicable requirements of the Listing Rules in respect of (i) the automatic renewal of the LSG-LSD Framework Agreement by the Company; (ii) the LSG-LSD Loan Transactions contemplated thereunder; and (iii) the LSG-LSD Annual Caps for the Renewed Term.

Historical Transaction Amounts and Existing LSG-LSD Annual Caps under the LSG-LSD Framework Agreement

The Existing LSG-LSD Annual Caps for the Existing LSG-LSD Loan Transactions pursuant to the LSG-LSD Framework Agreement for each of the financial years during the Initial Term are as below:

	For the financial year ended/ending 31 July			
	2023	**2024**	**2025**	**2026**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
Existing LSG-LSD Annual Caps	450,000	450,000	450,000	450,000

During the Initial Term, there were no transactions under the LSG-LSD Framework Agreement.

LSG-LSD Annual Caps

At any time during the Renewed Term of the LSG-LSD Framework Agreement, the aggregate amount of the Intercompany Loans provided by the LSG Lender Group Companies to the LSD Borrower Group Companies shall not exceed the LSG-LSD Annual Caps of the relevant financial year.

Set out below are the proposed LSG-LSD Annual Caps for the LSG-LSD Loan Transactions contemplated under the LSG-LSD Framework Agreement for each of the financial years during the Renewed Term:

	For the financial year ending 31 July			
	2026	**2027**	**2028**	**2029**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
LSG-LSD Annual Caps	350,000	350,000	350,000	350,000

Basis of the LSG-LSD Annual Caps

In arriving at the LSG-LSD Annual Caps set out above, the Directors have considered the following factors: (i) the cash position, the estimated operating cash flow as well as financing capacity of the LSG Lender Group; (ii) the expected financing demands of the LSD Borrower Group in each of the financial years during the Renewed Term; and (iii) despite the fact that there were no utilisation of the LSG-LSD Annual Caps during the Initial Term, the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LSD Borrower Group.

(2) LSG-LF Framework Agreement

Principal Terms of the LSG-LF Framework Agreement

The principal terms of the LSG-LF Framework Agreement are as follows:

Date:	9 September 2022
Parties:	the Company (as lender) and LF (as borrower)
Term:	Commenced from 1 January 2023 and expiring on 31 December 2025 and thereafter to be automatically renewed for subsequent periods of three (3) years on the same terms and conditions unless terminated, provided always that the renewal of the term shall be conditional upon (i) the Company having determined new annual caps to apply for the Renewed Term; and (ii) the Company's due compliance with all applicable requirements of the Listing Rules (including the requirement to obtain independent shareholders' approval, if applicable).
LSG-LF Loan Transactions:	At any time during the term, any LSG Lender Group Company (as lender) and any LF Borrower Group Company (as borrower) may enter into LSG-LF Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each LSG-LF Loan Transaction shall fully comply with the terms and conditions of the LSG-LF Framework Agreement.
General Terms:	See the section headed "General Terms of the Intercompany Loan Transactions" below for the General Terms agreed between the parties in respect of each LSG-LF Loan Transaction to be entered into during the term.

Termination: The LSG-LF Framework Agreement may be terminated, *inter alia*, at any time by either party giving not less than one (1) month's prior written notice to the other party; by either party if the other party commits a material breach of any of the provisions of the LSG-LF Framework Agreement; or by either party if the other party has become insolvent or is subject to any winding-up, liquidation or analogous proceedings.

In the event that LF ceases to be a connected person of the Company, or the LSG-LF Loan Transactions cease to be subject to the requirements of the Listing Rules in relation to continuing connected transactions, the parties may (but shall not be obliged to) terminate the LSG-LF Framework Agreement by way of mutual agreement in writing.

Renewal Conditions: The renewal of the LSG-LF Framework Agreement is conditional upon LSG having obtained independent shareholders' approval in accordance with the applicable requirements of the Listing Rules in respect of (i) the automatic renewal of the LSG-LF Framework Agreement by LSG; (ii) the LSG-LF Loan Transactions contemplated thereunder; and (iii) the LSG-LF Annual Caps for the Renewed Term.

Historical Transaction Amounts and Existing LSG-LF Annual Caps under the LSG-LF Framework Agreement

The Existing LSG-LF Annual Caps for the Existing LSG-LF Loan Transactions pursuant to the LSG-LF Framework Agreement for each of the financial years during the Initial Term are as below:

	For the financial year ended/ending 31 July			
	2023	**2024**	**2025**	**2026**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
Existing LSG-LF Annual Caps	450,000	450,000	450,000	450,000

During the Initial Term, there were no transactions under the LSG-LF Framework Agreement.

LSG-LF Annual Caps

At any time during the Renewed Term of the LSG-LF Framework Agreement, the aggregate amount of the Intercompany Loans provided by the LSG Lender Group Companies to the LF Borrower Group Companies shall not exceed the LSG-LF Annual Caps of the relevant financial year.

Set out below are the proposed LSG-LF Annual Caps for the LSG-LF Loan Transactions contemplated under the LSG-LF Framework Agreement for each of the financial years during the Renewed Term:

	For the financial year ending 31 July			
	2026	**2027**	**2028**	**2029**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
LSG-LF Annual Caps	350,000	350,000	350,000	350,000

Basis of the LSG-LF Annual Caps

In arriving at the LSG-LF Annual Caps set out above, the Directors have considered the following factors: (i) the cash position, the estimated operating cash flow as well as financing capacity of the LSG Lender Group; (ii) the expected financing demands of the LF Borrower Group in each of the financial years during the Renewed Term; (iii) despite the fact that there were no utilisation of the LSG-LF Annual Caps during the Initial Term, the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LF Borrower Group.

3. LSD FINANCIAL ASSISTANCE FRAMEWORK AGREEMENT

On 9 September 2022, LSD entered into, among others, the LSD-LF Framework Agreement with LF (a connected subsidiary of LSD) in respect of financial assistance to be provided by LSD Lender Group Companies to LF Borrower Group Companies from time to time. The LSD-LF Framework Agreement was for an Initial Term of three years commenced from 1 January 2023 and expiring on 31 December 2025, which will be automatically renewed for subsequent periods of three years, subject to the determination of new annual caps for the Renewed Term and the Company's and LSD's due compliance with all applicable requirements of the Listing Rules.

On 28 November 2025, LSD and LF agreed to renew the LSD-LF Framework Agreement upon the expiry of the Initial Term on 31 December 2025 for a further term of three years, i.e. up to and including 31 December 2028. There has been no change to the terms of the LSD-LF Framework Agreement since it was entered into on 9 September 2022.

LSD-LF Framework Agreement

Principal Terms of the LSD-LF Framework Agreement

The principal terms of the LSD-LF Framework Agreement are as follows:

Date:	9 September 2022
Parties:	LSD (as lender) and LF (as borrower)
Term:	Commenced from 1 January 2023 and expiring on 31 December 2025 and thereafter to be automatically renewed for subsequent periods of three (3) years on the same terms and conditions unless terminated, provided always that the renewal of the term shall be conditional upon (i) LSD having determined new annual caps to apply for the Renewed Term; and (ii) the Company's and LSD's due compliance with all applicable requirements of the Listing Rules (including the requirement to obtain independent shareholders' approval, if applicable).
LSD-LF Loan Transactions:	At any time during the term, any LSD Lender Group Company (as lender) and any LF Borrower Group Company (as borrower) may enter into LSD-LF Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each LSD-LF Loan Transaction shall fully comply with the terms and conditions of the LSD-LF Framework Agreement.
General Terms:	See the section headed "General Terms of the Intercompany Loan Transactions" below for the General Terms agreed between the parties in respect of each LSD-LF Loan Transaction to be entered into during the term.

Termination: The LSD-LF Framework Agreement may be terminated, *inter alia*, at any time by either party giving not less than one (1) month's prior written notice to the other party; by either party if the other party commits a material breach of any of the provisions of the LSD-LF Framework Agreement; or by either party if the other party has become insolvent or is subject to any winding-up, liquidation or analogous proceedings.

In the event that LF ceases to be a connected person of LSD, or the LSD-LF Loan Transactions cease to be subject to the requirements of the Listing Rules in relation to continuing connected transactions, the parties may (but shall not be obliged to) terminate the LSD-LF Framework Agreement by way of mutual agreement in writing.

Renewal Conditions: The renewal of the LSD-LF Framework Agreement is conditional upon both the Company and LSD having obtained independent shareholders' approval in accordance with the applicable requirements of the Listing Rules in respect of (i) the automatic renewal of the LSD-LF Framework Agreement by LSD, (ii) the LSD-LF Loan Transactions contemplated thereunder, and (iii) the LSD-LF Annual Caps for the Renewed Term.

Historical Transaction Amounts and Existing LSD-LF Annual Caps under the LSD-LF Framework Agreement

The Existing LSD-LF Annual Caps for the Existing LSD-LF Loan Transactions pursuant to the LSD-LF Framework Agreement for each of the financial years during the Initial Term are as below:

	For the financial year ended/ending 31 July			
	2023	**2024**	**2025**	**2026**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
Existing LSD-LF Annual Caps	1,000,000	3,000,000	3,000,000	3,000,000

During the Initial Term, the aggregate amount of the Intercompany Loans provided by the LSD Lender Group Companies to the LF Borrower Group Companies for the financial years ended 31 July 2023, 2024 and 2025 were nil, nil and approximately HK$565,000,000, respectively, under the LSD-LF Framework Agreement.

LSD-LF Annual Caps

At any time during the Renewed Term of the LSD-LF Framework Agreement, the aggregate amount of the Intercompany Loans provided by the LSD Lender Group Companies to the LF Borrower Group Companies shall not exceed the LSD-LF Annual Caps of the relevant financial year.

Set out below are the proposed LSD-LF Annual Caps for the LSD-LF Loan Transactions contemplated under the LSD-LF Framework Agreement for each of the financial years during the Renewed Term:

	For the financial year ending 31 July			
	2026	**2027**	**2028**	**2029**
	(HK$'000)	*(HK$'000)*	*(HK$'000)*	*(HK$'000)*
LSD-LF Annual Caps	1,500,000	1,500,000	1,500,000	1,500,000

Basis of the LSD-LF Annual Caps

In arriving at the LSD-LF Annual Caps set out above, the Directors and the LSD Directors have considered the following factors: (i) the cash position, the estimated operating cash flow as well as financing capacity of the LSD Lender Group; (ii) the expected financing demands of the LF Borrower Group in each of the financial years during the Renewed Term; (iii) the historical transaction amounts during the Initial Term of the LSD-LF Framework Agreement; and (iv) the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LF Borrower Group.

4. DETAILED BASIS OF THE ANNUAL CAPS

Basis of the LSG-LF Annual Caps and LSD-LF Annual Caps

As disclosed above, the LSG-LF Annual Caps and LSD-LF Annual Caps were set with reference to the expected financing demand of the LF Borrower Group in each of the financial years during the Renewed Term, estimated based on the latest cash position and projected cash flow of LF Borrower Group. Certain buffer has been provided in the projected cash flow of LF Borrower Group for any unanticipated operational and/or other funding needs.

As at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of LF Group amounted to approximately HK$1,840.8 million and HK$2,591.8 million, respectively, and the total borrowings was approximately HK$10,309.2 million. LF Group is the PRC property arm of LSD Group and principally engaged in property development for sale, property investment, and development and operation of and investment in cultural, leisure, entertainment and related facilities in the PRC. LF Group's rental portfolio of approximately 5.9 million square feet as at 31 July 2025 in Shanghai, Guangzhou, Zhongshan and Hengqin, being tier-1 cities in the PRC and cities within the Greater Bay Area, delivered relatively steady performance in rental income. For the year ended 31 July 2025, LF Group's properties held for rental recorded a turnover of HK$721.8 million. The two recently completed grade A office towers, Shanghai Skyline Tower and Guangzhou Lai Fung International Center have been ramping up steadily and delivered additional rental income to the Group compared to last financial year. The under-development project of LF Group is Phase II ("**Novotown Phase II**") of the Novotown project ("**Novotown**") in Hengqin, Zhuhai. Phase I of the Novotown has transformed itself into "Hengqin-Macao Cross-border E-Commerce Industrial Park (Novotown)" with leading Chinese e-commerce and new technology industry companies located in Hengqin. The demand for accommodation and office space underpinned the progress of Novotown Phase II. Construction of Novotown Phase II is in progress and it comprises eleven towers, of which one is for office use and the other ten are for accommodation purpose. Towers four to eleven have been approved by the local government as accommodation for rental purpose. Construction work for Tower one, designated for serviced apartment use, was completed in late July 2025. Tower three, designated for serviced apartment use, will be completed by September 2026 and Tower two, designated for office use, is expected to complete by August 2026. The total development costs yet to be incurred in phases are expected to amount to approximately RMB700 million.

In determining the LSG-LF Annual Caps, the Directors have also taken into account the cash position and estimated operating cash flow of the LSG Lender Group. As at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of the Group (excluding the LSD Group) amounted to approximately HK$86.4 million and HK$425.0 million, respectively. The Group is a diversified conglomerate and substantial business activities of the Group are carried out through LSD Group, including LF Group. Except for its interest in the LSD Group, major business of LSG Lender Group includes its interests in two investment properties in Hong Kong, namely Crocodile Center and Por Yen Building. Crocodile Center is a 25-storey commercial/office building located near the Kwun Tong MTR station. The Group owns the commercial podium which has a total GFA of 91,201 square feet (excluding carparking spaces). Por Yen Building, located at the hub of Cheung Sha Wan business area near to the Lai Chi Kok MTR station, is 14-storey industrial building with total GFA of 109,010 square feet (excluding car-parking spaces). These two investment properties have been providing relatively steady revenue and cash inflow to the Group and contributed a total rental income of approximately HK$94.7 million for the year ended 31 July 2025. After taking into account the cash position and expected cash flow of LSG Lender Group in each of the financial years during the Renewed Term, the aggregate amount of the Intercompany Loans to be provided by the LSG Lender Group Companies to the LF Borrower Group Companies were capped at HK$350 million. When entering into each Intercompany Loan Transaction, the LSG Lender Group will take into account (1) the amount of funds available to provide the Intercompany Loan and (2) the aggregated outstanding of Intercompany Loans of LSD Borrower Group and LF Borrower Group which should not exceed HK$350 million at any moment in time.

In determining the LSD-LF Annual Caps, the Directors have also considered the cash position and estimated operating cash flow of LSD Lender Group, as well as financing capacity of the LSD Lender Group. Excluding its interests in LF Group, the principal activities of LSD Group include property investment and property development in Hong Kong and overseas, investment in and operation of hotels and restaurants and investment holding. LSD Group's property investment business in Hong Kong includes its interests in commercial, office and industrial buildings, i.e. Cheung Sha Wan Plaza, Causeway Bay Plaza 2 and Lai Sun Commercial Centre. LSD Group also owns three investment properties in London, namely, 100, 106 and 107 Leadenhall Street (collectively, "**Leadenhall Properties**"), with a combined GFA of approximately 344,230 square feet. LSD Group is currently assessing options for Leadenhall Properties to optimise value for LSD Group. As at 31 July 2025, the attributable GFA of LSD Group's major completed properties held for rental in Hong Kong and London are approximately 1,149,248 square feet and 344,230 square feet, respectively. For the year ended 31 July 2025, turnover from rental properties (including the joint venture projects) in Hong Kong and London was approximately HK$597.8 million in total. LSD Group currently has 4 residential projects in Hong Kong under development, including the joint venture project of Deep Water Pavilia in the Southern district of Hong Kong, 79 Broadcast Drive project in Kowloon Tong, 1 Kotewall Road project in Mid-levels and 116 Waterloo Road project in Ho Man Tin, and the attributable GFA for the above projects as at 31 July 2025 is approximately 268,838 square feet in total. Pre-sale of the joint venture project of Deep Water Pavilia has been launched in June 2025. The construction of these 4 projects is expected to complete in 2026 to 2028. Restaurant operation of LSD Group includes its interests in 23 restaurants in Hong Kong and Chinese Mainland, 1 restaurant in Dubai and 1 restaurant in Macau under management. The hotel segment of LSD Group (excluding LF Group) includes the its operation of the Ocean Park Marriott Hotel in Hong Kong and the Caravelle Hotel in Ho Chi Minh City, Vietnam, as well as the 50% interest in Fairmont St. Andrews resort in Scotland, United Kingdom. As at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of the LSD Group (excluding eSun Group and LF Group) amounted to approximately HK$2,014.3 million and HK$1,199.6 million, respectively. After taking into account the operational needs of the LSD Group (excluding LF Group) going forward, it is considered financially flexible and feasible for the Group to provide the Intercompany Loans to the LF Borrower Group in each of the financial years during the Renewed Term.

Basis of the LSG-LSD Annual Caps

As disclosed above, the LSG-LSD Annual Caps were determined with reference to the cash position and estimated operating cash flow of the LSG Lender Group. As discussed in the sub-section headed "Basis of the LSG-LF Annual Caps and LSD-LF Annual Caps" on pages 19 to 22 of this circular above for the LSG-LF Annual Caps, the Group is a diversified conglomerate and substantial business activities of the Group are carried out through the LSD Group. Except for its interest in the LSD Group, major business of the LSG Lender Group includes its interests in two investment properties in Hong Kong, namely Crocodile Center and Por Yen Building, which have been providing relatively steady revenue and cash inflow to the Group and contributed a total rental income of approximately HK$94.7 million for the year ended 31 July 2025. The consolidated cash and bank balances and undrawn facilities of the Group (excluding the LSD Group) as at 31 July 2025 amounted to approximately HK$86.4 million and HK$425.0 million, respectively. After taking into account (1) the fact that it is financially flexible and feasible for LSD Group to provide the Intercompany Loans if necessary to the LF Borrower Group Companies and the proceeds of each LSG-LSD Loan Transactions shall be used by the LSD Borrower Group for general corporate and working capital purposes but not for onward lending to the LF Group and (2) the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LSD Borrower Group, the aggregate amount of the Intercompany Loans to be provided by the LSG Lender Group Companies to the LSD Borrower Group Companies were set to be HK$350 million. When entering into each Intercompany Loan Transaction, the LSG Lender Group will take into account (1) the amount of funds available to provide the Intercompany Loan and (2) the aggregated outstanding of Intercompany Loans of LSD Borrower Group and LF Borrower Group which should not exceed HK$350 million at any moment in time.

5. GENERAL TERMS OF THE INTERCOMPANY LOAN TRANSACTIONS

(1) General Terms

The parties to each of the Financial Assistance Framework Agreements have agreed with each other as follows:

(a) each Intercompany Loan Transaction shall take the form of unsecured bilateral loan(s) to be granted by a Lender Group Company (as lender) to a Borrower Group Company (as borrower), and no mortgage, pledge or other security over the assets of or interest in any member of the relevant Borrower Group shall be granted;

(b) the effective interest rate of each Intercompany Loan Transaction shall be the aggregate of HIBOR for the relevant interest period and an interest margin to be determined by the relevant lender on a case-by-case basis in accordance with the provisions set out in the sub-section headed "(2) Market comparison" below;

(c) each Intercompany Loan Transaction shall be on normal commercial terms;

(d) each Intercompany Loan Transaction shall be governed by a written loan agreement which shall clearly set out the terms and conditions upon which the Intercompany Loan Transaction shall be undertaken (including but not limited to any conditions precedent, the interest rate, the repayment schedule and any prepayment conditions);

(e) the advance of each Intercompany Loan shall be conditional upon (amongst any other conditions precedent) the relevant Lender having sufficient available funds to finance the Intercompany Loan;

(f) at any time during the term of the relevant Financial Assistance Framework Agreement, the aggregate amount of the Intercompany Loans provided by the Lenders to the Borrowers shall not exceed the relevant Annual Cap for the relevant financial year; and

(g) each Intercompany Loan Transaction shall be in compliance with the provisions of the relevant Financial Assistance Framework Agreement, the constitutional documents of the Lenders and the Borrowers, and all applicable laws and regulations (including but not limited to the Listing Rules).

(2) Market comparison

The parties to each Financial Assistance Framework Agreement have further agreed with each other that, when a decision is to be made by a Lender Group Company on the terms and conditions of an Intercompany Loan Transaction to be offered to a Borrower Group Company, the Lender Group Company shall obtain the prevailing rates and terms at the time offered by not less than two (2) major independent commercial banks in Hong Kong for a similar loan (similar as to currency, term, type of interest rate and other factors deemed relevant by the Lender Group Company) for comparison; and without prejudice to paragraphs (b) and (c) set out in the sub-section headed "(1) General Terms" above, the interest margin to be offered by the Lender Group Company in an Intercompany Loan Transaction shall not be (i) lower than the lowest interest margin offered by the aforesaid commercial banks, and (ii) higher than the highest interest margin offered by the aforesaid commercial banks.

6. REASONS AND BENEFITS OF THE FINANCIAL ASSISTANCE FRAMEWORK AGREEMENTS

(1) Reasons and benefits of the LSG Financial Assistance Framework Agreements

As at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of the Group (excluding LSD Group) amounted to approximately HK$86.4 million and HK$425.0 million, respectively.

The Directors are of the view that the proposed provision of financial assistance by the LSG Lender Group to the LSD Borrower Group and the LF Borrower Group respectively under the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement will, on one hand, enable the LSG Lender Group to better utilise any excess cash at hand and generate interest income and, on the other hand, enable members of the LSD Borrower Group and the LF Borrower Group (which are also members of the Group) to efficiently utilise its cash resources, such as to fulfil its financial obligation and meet their operational needs from time to time as necessary.

The availability of the Intercompany Loans from the LSG Lender Group (subject to the LSG Lender Group having sufficient available funds to provide the requisite financial assistance) will provide members of the LSD Borrower Group and the LF Borrower Group with an alternative source of financing other than obtaining external loans from third-party lenders and incurring third-party interest expenses. The Company, as the holding company of LSD and LF, will in turn benefit from the financial assistance received by the LSD Borrower Group and the LF Borrower Group under the relevant Intercompany Loan Transactions.

By entering into the LSG Financial Assistance Framework Agreements, the Directors are of the view that this will provide flexibility for the LSG Lender Group to enter into the LSG-LSD Loan Transactions with the LSD Borrower Group and the LSG-LF Loan Transactions with the LF Borrower Group from time to time as necessary and, at the same time, regulate such Intercompany Loan Transactions within the confines of the Listing Rules.

The Directors (including the independent non-executive Directors whose views have been set out in the letter of recommendation from the Independent Board Committee on pages IBC-1 to IBC-2 of this circular after taking into consideration the advice of Gram Capital) consider that the LSG Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company, its subsidiaries and the Shareholders as a whole.

(2) Reasons and benefits of the LSD Financial Assistance Framework Agreement

As at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of the LSD Group (excluding the eSun Group and LF Group) amounted to approximately HK$2,014.3 million and HK$1,199.6 million, respectively.

The Directors and the LSD Directors are of the view that the proposed provision of financial assistance by the LSD Lender Group to the LF Borrower Group under the LSD-LF Framework Agreement will, on one hand, enable the LSD Lender Group to better utilise any excess cash at hand and generate interest income and, on the other hand, enable members of the LF Borrower Group (which is also members of the Group and the LSD Group) to efficiently utilise its cash resources, such as to fulfil its financial obligation and meet their operational needs from time to time as necessary.

The availability of the Intercompany Loans from the LSD Lender Group (subject to the LSD Lender Group having sufficient available funds to provide the requisite financial assistance) will provide members of the LF Borrower Group with an alternative source of financing other than obtaining external loans from third-party lenders and incurring third-party interest expenses. The Company as the holding company of LSD, will in turn benefit from the interest income to be received by the LSD Lender Group under the relevant Intercompany Loan Transactions. The Company and LSD, as the holding companies of LF, will also in turn benefit from the financial assistance received by the LF Borrower Group under the relevant Intercompany Loan Transactions.

By entering into the LSD Financial Assistance Framework Agreement, the Directors and the LSD Directors are of the view that this will provide flexibility for the LSD Lender Group to enter into the LSD-LF Loan Transactions with the LF Borrower Group from time to time and, at the same time, regulate such Intercompany Loan Transactions within the confines of the Listing Rules.

The Directors (including the independent non-executive Directors whose views have been set out in the letter of recommendation from the Independent Board Committee on pages IBC-1 to IBC-2 of this circular after taking into consideration the advice of Gram Capital) consider that the LSD Financial Assistance Framework Agreement and the Intercompany Loan Transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company, its subsidiaries and the Shareholders as a whole.

Similarly, the LSD Directors (including the independent non-executive LSD Directors) consider that the LSD Financial Assistance Framework Agreement and the Intercompany Loan Transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of LSD, its subsidiaries and its shareholders as a whole.

7. INFORMATION OF THE PARTIES

(1) The Company

The Company 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 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, development and operation of and investment in cultural, leisure, entertainment and related facilities and investment holding.

As at the Latest Practicable Date, Dr. Peter Lam was interested in approximately 44.05% of the total Shares.

(2) LSD

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, development and operation of and investment in cultural, leisure, entertainment and related facilities and investment holding.

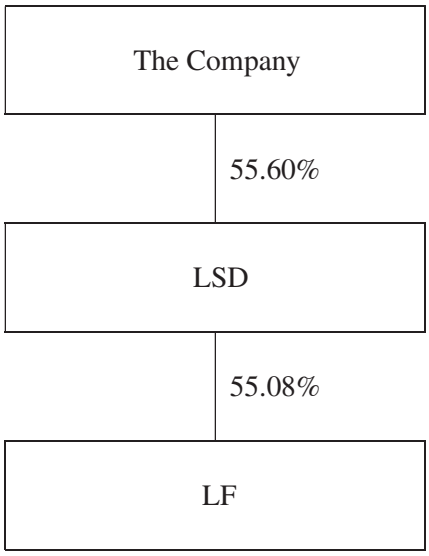
As at the Latest Practicable Date, the Company owned approximately 55.60% of the total LSD Shares.

(3) LF

LF 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 LF 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.

As at the Latest Practicable Date, LSD owned approximately 55.08% of the total LF Shares.

The following is a simplified structure chart summarising the shareholding relationship among the Company, LSD and LF as at the Latest Practicable Date:



8. LISTING RULES IMPLICATIONS FOR THE COMPANY

The Listing Rules implications for the Company in respect of the automatic renewal by the Company or LSD of each Financial Assistance Framework Agreement (as lender) are as follows:

(1) LSG-LSD Framework Agreement

On the basis of the Yu Shareholders' latest disclosures of interests in the Company, the Yu Shareholders are jointly interested in 185,690,000 Shares (representing approximately 21.02% of the total Shares). They are substantial shareholders of the Company and hence connected persons of the Company under Chapter 14A of the Listing Rules.

On the basis of the Yu Shareholders' latest disclosures of interests in LSD, the Yu Shareholders are jointly interested in 276,926,400 LSD Shares (representing approximately 19.05% of the total LSD Shares) other than their indirect interest in LSD held through their interests in the Company.

LSD is therefore a connected subsidiary of the Company and hence a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the automatic renewal of the LSG-LSD Framework Agreement and the LSG-LSD Loan Transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

(2) LSG-LF Framework Agreement

On the basis of the Yu Shareholders' latest disclosures of interests in LF, the Yu Shareholders are jointly interested in 33,161,037 LF Shares (representing approximately 10.02% of the total LF Shares) other than their indirect interest in LF held through their interests in the Company and LSD.

LF is therefore a connected subsidiary of the Company and hence a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the automatic renewal of the LSG-LF Framework Agreement and the LSG-LF Loan Transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

(3) LSD-LF Framework Agreement

As disclosed above, both LSD and LF are connected subsidiaries of the Company and hence connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the automatic renewal of the LSD-LF Framework Agreement and the LSD-LF Loan Transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The automatic renewal of the two LSG Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder, as well as the automatic renewal of the LSD Financial Assistance Framework Agreement and the Intercompany Loan Transactions contemplated thereunder, will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios for each of the LSG Annual Caps is more than 25% for the Company, the automatic renewal of the LSG Financial Assistance Framework Agreements, the Intercompany Loan Transactions contemplated thereunder and the LSG Annual Caps are subject to the reporting, annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Further, as the highest of the applicable percentage ratios for the LSD-LF Annual Caps is more than 25% for the Company, the automatic renewal of the LSD Financial Assistance Framework Agreement, the Intercompany Loan Transactions contemplated thereunder and the LSD-LF Annual Caps are also subject to the reporting, annual review, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

9. LISTING RULES IMPLICATIONS FOR THE BORROWERS

The provision of the Intercompany Loans by the Lenders to the Borrowers pursuant to each of the Financial Assistance Framework Agreements constitutes financial assistance to be received by the Borrowers from a connected person.

Pursuant to the terms of each Financial Assistance Framework Agreement, the Intercompany Loans will be provided to the relevant Borrower on normal commercial terms and will not be secured by the assets of any of the Borrower Group Companies. Pursuant to Rule 14A.90 of the Listing Rules, the automatic renewal of the Financial Assistance Framework Agreements entered into by LSD and/or LF in the capacity as borrower and the Intercompany Loan Transactions contemplated thereunder are fully exempt from the connected transactions requirements under Chapter 14A of the Listing Rules for each of LSD and LF.

10. INTERNAL CONTROL MEASURES

(1) The Company

The Company will adopt the following internal control measures in respect of each Intercompany Loan Transaction to be entered into by a LSG Lender Group Company (as lender) pursuant to the Financial Assistance Framework Agreements:

(i) the provision of the Intercompany Loans by the LSG Lender Group under each LSG Financial Assistance Framework Agreement must go through the Company's internal review and approval procedures as follows: (i) management will review cash flow projections of the LSG Lender Group and Borrower Groups and consider the Company's overall debt positions; (ii) the finance department will consider the financial impacts of the Intercompany Loan Transactions on the Group, as well as each of LSG Lender Group and Borrower Groups; and (iii) taking into consideration the cash flow positions of LSG Lender Group and the overall solvency positions of the Group, the executive Directors shall approve the Intercompany Loans with amounts that are considered sufficient and necessary for operational needs of Borrower Groups, and ensure the LSG Lender Group retain sufficient financial resources for its own operation and business development;

(ii) before an Intercompany Loan Transaction is entered into, the finance department of the Company (in case the lender is a LSG Lender Group Company) or LSD (in case the lender is a LSD Lender Group Company) shall obtain the prevailing rates and terms at the time offered by not less than two (2) major independent commercial banks in Hong Kong for a similar loan (similar as to currency, term, type of interest rate and other factors deemed relevant by the lender) for comparison;

(iii) the finance department and management of the Company will consider the proposed terms and conditions of the Intercompany Loan Transaction (including but not limited to the interest margin) and the terms offered by the aforesaid commercial banks and ensure that (a) the interest margin to be offered by the lender shall not be (i) lower than the lowest interest margin offered by the aforesaid commercial banks for a similar loan, and (ii) higher than the highest interest margin offered by the aforesaid commercial banks for a similar loan; (b) the terms and conditions of the Intercompany Loan Transaction are determined based on arm's length negotiations between the parties; and (c) the Intercompany Loan Transaction is on normal commercial terms and is fair and reasonable;

(iv) the finance department of the Company will regularly (a) review whether the Intercompany Loan Transactions entered into by the LSG Lender Group have been conducted in accordance with the terms of their respective loan agreements and the relevant Financial Assistance Framework Agreements; and (b) monitor the amounts under the Intercompany Loan Transactions to ensure that the relevant Annual Caps are not exceeded;

(v) the Company will comply with the applicable requirements under the connected transaction rules of the Listing Rules in respect of the Intercompany Loan Transactions entered into pursuant to the Financial Assistance Framework Agreements, including annual reporting and annual review by the independent non-executive Directors and the auditors of the Company;

(vi) the independent non-executive Directors will review the continuing connected transactions of the Company on an annual basis and express their opinions on (i) whether the amounts of the continuing connected transactions exceed the relevant annual caps; (ii) whether the continuing connected transactions are conducted in accordance with the relevant agreements; and (iii) whether the terms of the continuing connected transactions are fair and reasonable, are on normal commercial terms or better terms in the usual and ordinary course of business of the Company and its subsidiaries, and are in the interests of the Company and the Shareholders as a whole; and

(vii) the external auditor of the Company will issue opinions about the continuing connected transactions of the Company, on an annual basis and in accordance with the requirements of the Listing Rules, in respect of the pricing policies, the implementation of related agreement terms and whether the transaction amounts exceed the relevant annual caps in a given year. The external auditor will issue the relevant letter to the Board and submit the same to the Stock Exchange.

(2) LSD

LSD will adopt the following internal control measures in respect of each Intercompany Loan Transaction to be entered into by a LSD Lender Group Company (as lender) pursuant to the LSD Financial Assistance Framework Agreement:

(i) the provision of the Intercompany Loans by the LSD Lender Group under the LSD Financial Assistance Framework Agreement must go through the LSD's internal review and approval procedures as follows: (i) management will review cash flow projections of the LSD Lender Group LF Borrower Group and consider the LSD's overall debt positions; (ii) the finance department will consider the financial impacts of the Intercompany Loan Transactions on the LSD Group, as well as each of LSD Lender Group LF Borrower Group; and (iii) taking into consideration of the cash flow positions of LSD Lender Group and the overall solvency positions of LSD Group, the executive directors of LSD shall approve the Intercompany Loans with amounts that are considered sufficient and necessary for operational needs of LF Borrower Group, and ensure the LSD Lender Group retain sufficient financial resources for its own operation and business development;

(ii) before an Intercompany Loan Transaction is entered into, the finance department of LSD shall obtain the prevailing rates and terms at the time offered by not less than two (2) major independent commercial banks in Hong Kong for a similar loan (similar as to currency, term, type of interest rate and other factors deemed relevant by the lender) for comparison;

(iii) the finance department and management of LSD will consider the proposed terms and conditions of the Intercompany Loan Transaction (including but not limited to the interest margin) and the terms offered by the aforesaid commercial banks and ensure that (a) the interest margin to be offered by the lender shall not be (i) lower than the lowest interest margin offered by the aforesaid commercial banks for a similar loan, and (ii) higher than the highest interest margin offered by the aforesaid commercial banks for a similar loan; (b) the terms and conditions of the Intercompany Loan Transaction are determined based on arm's length negotiations between the parties; and (c) the Intercompany Loan Transaction is on normal commercial terms and is fair and reasonable;

(iv) the finance department of LSD will regularly (a) review whether the Intercompany Loan Transactions entered into by the LSD Lender Group (as lender) have been conducted in accordance with the terms of their respective loan agreements and the relevant LSD Financial Assistance Framework Agreement; and (b) monitor the amounts under the Intercompany Loan Transactions to ensure that the relevant LSD Annual Caps are not exceeded;

(v) LSD will comply with the applicable requirements under the connected transaction rules of the Listing Rules in respect of the Intercompany Loan Transactions entered into pursuant to the LSD Financial Assistance Framework Agreement, including annual reporting and annual review by the independent non-executive directors of LSD and the auditors of LSD;

(vi) the independent non-executive directors of LSD review continuing connected transactions of LSD on an annual basis and express their opinions on (i) whether the amounts of the continuing connected transactions exceed the relevant annual caps; (ii) whether the continuing connected transactions are conducted in accordance with the relevant agreements; and (iii) whether the terms of the continuing connected transactions are fair and reasonable, are on normal commercial terms or better terms in the usual and ordinary course of business of LSD and its subsidiaries and are in the interests of LSD and its shareholders as a whole; and

(vii) the external auditor of LSD will issue opinions about the continuing connected transactions of LSD, on an annual basis and in accordance with the requirements of the Listing Rules, in respect of the pricing policies, the implementation of related agreement terms and whether the transaction amounts exceed the relevant annual caps in a given year. The external auditor will issue the relevant letter to the board of directors of LSD and submit the same to the Stock Exchange.

By implementing the above measures, the Directors (excluding the independent non-executive Directors) consider that the Company and LSD have appropriate internal control procedures in place to ensure that the Intercompany Loan Transactions under the Financial Assistance Framework Agreements will be conducted on normal commercial terms and in the interests of the Company, its subsidiaries and the Shareholders as a whole.

11. GENERAL MEETING

(1) General Meeting

The General Meeting will be held at Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Friday, 19 December 2025 at 12:50 p.m. (or as soon thereafter as the 2025 AGM convened at the same place and on the same date at 12:00 noon shall have been concluded or adjourned) to consider and, if thought fit, to approve by way of separate resolutions (i) the automatic renewal of the two LSG Financial Assistance Framework Agreements by the Company (as lender), (ii) the Intercompany Loan Transactions contemplated under the two LSG Financial Assistance Framework Agreements, (iii) the LSG Annual Caps, (iv) the automatic renewal of the LSD Financial Assistance Framework Agreement by LSD (as lender), (v) the Intercompany Loan Transactions contemplated under the LSD Financial Assistance Framework Agreement, and (vi) the LSD-LF Annual Caps. The relevant resolutions will be put to the vote at the General Meeting by way of poll as required by the Listing Rules.

A notice of the General Meeting containing the resolutions to be proposed is set out on pages GM-1 to GM-4 of this circular.

A form of proxy for use at the General Meeting is enclosed with this circular. Shareholders are advised to read the notice of the General Meeting and if you are not able to attend the General Meeting or any adjournment thereof (as the case may be) in person but wish to exercise your right as a Shareholder, please complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the General Meeting or any adjournment thereof (as the case may be) should you so wish, and in such event, the form of proxy shall deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, save for resolutions which relate purely to a procedural or administrative matter to be voted by a show of hands, any vote of the Shareholders at a general meeting of the Company must be taken by way of a poll. Accordingly, the resolutions to be considered and, if thought fit, passed at the General Meeting will be voted by way of a poll by the Shareholders. Article 79 of the articles of association of the Company provides that on a poll, every Shareholder present in person or by proxy shall have one vote for every Share held by that Shareholder. An explanation of the detailed procedures of conducting a poll will be conveyed to the Shareholders at the General Meeting. The Company will publish an announcement on the poll results of the resolutions on the respective websites of the Company at "www.laisun.com" and HKEX at "www.hkexnews.hk" after the conclusion of the General Meeting.

(2) Interests of various Shareholders

Dr. Peter Lam and Wisdoman

As at the Latest Practicable Date:

(i) Dr. Peter Lam is the ultimate controlling shareholder of the Company, being deemed to be interested in 389,149,936 Shares (representing approximately 44.05% of the total Shares) by virtue of, in aggregate, his personal interest of 130,981,750 Shares, including 1,832,017 share options granted by the Company (representing approximately 14.82% of the total Shares), and 100% interest in the issued share capital of Wisdoman which directly owned 258,168,186 Shares (representing approximately 29.23% of the total Shares);

(ii) the Company, a holding company of LSD, and two of its wholly-owned subsidiaries, Zimba and Joy Mind, was interested in 808,084,296 LSD Shares (representing approximately 55.60% of the total LSD Shares). Other than through his interests in the Company, Dr. Peter Lam is also interested in 975,907 LSD Shares (representing approximately 0.07% of the total LSD Shares); and

(iii) LSD, a holding company of LF, is interested in 182,318,266 LF Shares (representing approximately 55.08% of the total LF Shares). Other than through his interests in the Company and LSD, Dr. Peter Lam does not have any interest in LF Shares.

As the personal interests of Dr. Peter Lam in LSD are immaterial compared to his interests held through the Company, and he has no personal interest in LF, his interest in each of the Financial Assistance Framework Agreements is in alignment with the interest of other Shareholders. Accordingly, Dr. Peter Lam does not have a material interest in any of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder. As such, Dr. Peter Lam and Wisdoman will not be required to abstain from voting on the resolutions to be proposed at the General Meeting.

Madam U

As at the Latest Practicable Date:

(i) Madam U is interested in 1,857,430 Shares (representing approximately 0.21% of the total Shares);

(ii) Madam U is personally interested in 60,567 LSD Shares (representing approximately 0.004% of the total LSD Shares); and

(iii) Madam U does not have any personal interest in LF Shares.

As the personal interests of Madam U in LSD is immaterial compared to her interests held through the Company, and she has no personal interest in LF, her interest in each of the Financial Assistance Framework Agreements is in alignment with the interest of other Shareholders. Accordingly, Madam U does not have a material interest in any of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder. As such, Madam U will not be required to abstain from voting on the resolutions to be proposed at the General Meeting.

Yu Shareholders

On the basis of the Yu Shareholders' latest disclosures of interests in the Company, LSD and LF respectively:

(i) the Yu Shareholders are jointly interested in 185,690,000 Shares (representing approximately 21.02% of the total Shares);

(ii) the Yu Shareholders are jointly interested in 276,926,400 LSD Shares (representing approximately 19.05% of the total LSD Shares); and

(iii) the Yu Shareholders are jointly interested in 33,161,037 LF Shares (representing approximately 10.02% of the total LF Shares).

As the Yu Shareholders have significant personal interests in each of LSD and LF (other than interests held in the Company and/or LSD), the benefit to be conferred upon the Yu Shareholders from the financial assistance to be received by LSD and LF as borrowers pursuant to the Intercompany Loan Transactions contemplated under the Financial Assistance Framework Agreements will be relatively more than that conferred upon other Shareholders who have no personal interest in LSD and/or LF. As the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder will confer upon the Yu Shareholders a significant additional benefit compared to other Shareholders, the Yu Shareholders are considered, for the purposes of the Listing Rules, to have a material interest in each of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder. As such, the Yu Shareholders will be required to abstain from voting on each of the resolutions to be proposed at the General Meeting.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder. Therefore, no other Shareholder is required to abstain from voting at the General Meeting for the relevant resolutions.

12. DIRECTORS' INTEREST

None of the Directors is regarded as having a material interest in the Financial Assistance Framework Agreements and the Intercompany Loan Transactions contemplated thereunder. Hence, none of the Directors is required to abstain from voting on the Board resolutions to approve the transactions.

However, in view of his personal interests in the Company and LSD as set out above, Dr. Peter Lam has voluntarily abstained from voting on the relevant Board resolutions in relation to the LSG-LSD Framework Agreement.

As Madam U is not a member of the executive committee of the Board, she did not vote on the relevant Board resolutions in relation to the LSG-LSD Framework Agreement.

13. RECOMMENDATION

The Independent Board Committee has been formed to advise the Independent Shareholders on (i) whether the automatic renewal of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions respectively contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group, and fair and reasonable and in the interests of the Company, its subsidiaries and the Shareholders as a whole; (ii) whether the Annual Caps are fairly and reasonably determined and are in the interests of the Company, its subsidiaries and the Shareholders as a whole; and (iii) how to vote in the General Meeting.

The Company has further appointed Gram Capital to advise the Independent Board Committee and the Independent Shareholders in this regard.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages IBC-1 to IBC-2 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the Financial Assistance Framework Agreements, the Intercompany Loan Transactions respectively contemplated thereunder and the Annual Caps; (ii) the letter from Gram Capital set out on pages IFA-1 to IFA-18 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders; and (iii) the additional information set out in the appendix to this circular.

The Independent Board Committee, having taken into account the advice of Gram Capital, consider that (i) although the Financial Assistance Framework Agreements and the Intercompany Loan Transactions respectively contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, they are on normal commercial terms, fair and reasonable and in the interests of the Company, its subsidiaries and the Shareholders as a whole; and (ii) the Annual Caps are fairly and reasonably determined and are in the interests of the Company, its subsidiaries and the Shareholders as a whole.

Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolutions to be proposed at the General Meeting to approve (i) the automatic renewal of the two LSG Financial Assistance Framework Agreements by the Company (as lender), (ii) the Intercompany Loan Transactions contemplated under the two LSG Financial Assistance Framework Agreements, (iii) the LSG Annual Caps, (iv) the automatic renewal of the LSD Financial Assistance Framework Agreement by LSD (as lender), (v) the Intercompany Loan Transactions contemplated under the LSD Financial Assistance Framework Agreement, and (vi) the LSD-LF Annual Caps.

Yours faithfully,
For and on behalf of the Board
Lai Sun Garment (International) Limited
Lam Kin Ngok, Peter
Chairman

The following is the text of a letter from the Independent Board Committee to the Independent Shareholders in relation to the automatic renewal of Financial Assistance Framework Agreements, the Intercompany Loan Transactions respectively contemplated thereunder and the Annual Caps for inclusion in this circular.

LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 191)

4 December 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF FINANCIAL ASSISTANCE FRAMEWORK AGREEMENTS

We refer to the circular of the Company dated 4 December 2025 ("**Circular**") to the Shareholders, of which this letter forms part. Unless the context specifies otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board as the Independent Board Committee to consider and advise the Independent Shareholders on (i) whether the automatic renewal of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions respectively contemplated thereunder are on normal commercial terms, in the ordinary and usual course of business of the Group, and fair and reasonable and in the interests of the Company, its subsidiaries and the Shareholders as a whole; (ii) whether the Annual Caps are fairly and reasonably determined and are in the interests of the Company, its subsidiaries and the Shareholders as a whole; and (iii) how to vote in the General Meeting.

We wish to draw your attention to (i) the letter from Gram Capital containing details of the advice from Gram Capital, together with the principal factors and reasons it has taken into consideration, as set out on pages IFA-1 to IFA-18 of the Circular; and (ii) the letter from the Board as set out on pages 10 to 39 of the Circular and the additional information set out in the appendix to the Circular.

Having taken into account the opinion of Gram Capital as set out in its letter, we consider (i) although the automatic renewal of the Financial Assistance Framework Agreements and the Intercompany Loan Transactions respectively contemplated thereunder are not conducted in the ordinary and usual course of business of the Group, they are on normal commercial terms, fair and reasonable and in the interests of the Company, its subsidiaries and the Shareholders as a whole; and (ii) the Annual Caps are fairly and reasonably determined and are in the interests of the Company, its subsidiaries and the Shareholders as a whole.

Accordingly, we recommend that the Independent Shareholders to vote in favour of the resolutions to be proposed at the General Meeting to approve (i) the automatic renewal of the two LSG Financial Assistance Framework Agreements by the Company (as lender), (ii) the Intercompany Loan Transactions contemplated under the two LSG Financial Assistance Framework Agreements, (iii) the LSG Annual Caps, (iv) the automatic renewal of the LSD Financial Assistance Framework Agreement by LSD (as lender), (v) the Intercompany Loan Transactions contemplated under the LSD Financial Assistance Framework Agreement, and (vi) the LSD-LF Annual Caps.

Yours faithfully,
For and on behalf of
the Independent Board Committee

Chow Bing Chiu **Lam Bing Kwan** **Leung Shu Yin, William** **Ng Chi Ho, Dennis**

Independent Non-Executive Directors

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of automatic renewal of Financial Assistance Framework Agreements, the Intercompany Loan Transactions (including the Annual Caps) for the purpose of inclusion in this circular.

Gram Capital Limited
嘉林資本有限公司

Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

4 December 2025

To: The independent board committee and the independent shareholders of Lai Sun Garment (International) Limited

Dear Sir/ Madam,

CONTINUING CONNECTED TRANSACTIONS RENEWAL OF FINANCIAL ASSISTANCE FRAMEWORK AGREEMENTS

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of automatic renewal of Financial Assistance Framework Agreements, the Intercompany Loan Transactions and the Annual Caps, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 4 December 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

The LSG Financial Assistance Framework Agreements

On 9 September 2022, the Company entered into, among others, the LSG-LSD Framework Agreement and LSG-LF Framework Agreement with LSD and LF (each a connected subsidiary of the Company) in respect of financial assistance to be provided by LSG Lender Group Companies to, among others, LSD Borrower Group Companies and LF Borrower Group Companies, respectively, from time to time. Each of the two LSG Financial Assistance Framework Agreements was for an Initial Term of three years commenced from 1 January 2023 and expiring on 31 December 2025, which will be automatically renewed for subsequent periods of three years, subject to the determination of new annual caps for the Renewed Term and the Company's due compliance with all applicable requirements of the Listing Rules.

On 28 November 2025, the Company and each of LSD and LF agreed to renew the LSG-LSD Framework Agreement and LSG-LF Framework Agreement upon the expiry of the Initial Term on 31 December 2025 for a further term of three years, i.e. up to and including 31 December 2028. There has been no change to the terms of the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement since they were entered into on 9 September 2022.

The LSD Financial Assistance Framework Agreement

On 9 September 2022, LSD entered into, among others, the LSD-LF Framework Agreement with LF (a connected subsidiary of LSD) in respect of financial assistance to be provided by LSD Lender Group Companies to LF Borrower Group Companies from time to time. The LSD-LF Framework Agreement was for an Initial Term of three years commenced from 1 January 2023 and expiring on 31 December 2025, which will be automatically renewed for subsequent periods of three years, subject to the determination of new annual caps for the Renewed Term and the Company's and LSD's due compliance with all applicable requirements of the Listing Rules.

On 28 November 2025, the LSD and LF agreed to renew the LSD-LF Framework Agreement upon the expiry of the Initial Term on 31 December 2025 for a further term of three years, i.e. up to and including 31 December 2028. There has been no change to the terms of the LSD-LF Framework Agreement since it was entered into on 9 September 2022.

With reference to the Board Letter, the Intercompany Loan Transactions constitute continuing connected transactions of the Company and are subject to the reporting, announcement, circular, annual review and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Chow Bing Chiu, Mr. Lam Bing Kwan, Mr. Leung Shu Yin, William, and Mr. Ng Chi Ho, Dennis (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Intercompany Loan Transactions (including the Annual Caps) are on normal commercial terms and are fair and reasonable; (ii) whether the Intercompany Loan Transactions are in the interests of the Company and the Shareholders as a whole and in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolutions to approve the Intercompany Loan Transactions (including the Annual Caps) at the General Meeting. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders. Having considered the above and that none of the circumstances as set out under Rule 13.84 of the Listing Rules existed as at the Latest Practicable Date, we are of the view that we are independent to act as the Independent Financial Adviser.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Intercompany Loan Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, LSD, LF or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Intercompany Loan Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources while we are not obligated to conduct any independent in-depth investigation into the accuracy and completeness of those information.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Intercompany Loan Transactions, we have taken into consideration the following principal factors and reasons:

Information on the Company

With reference to the Board Letter, the Company 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 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, development and operation of and investment in cultural, leisure, entertainment and related facilities and investment holding.

As at the Latest Practicable Date, Dr. Peter Lam was interested in approximately 44.05% of the total Shares.

Information on LSD

With reference to the Board Letter, 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, development and operation of and investment in cultural, leisure, entertainment and related facilities and investment holding.

As at the Latest Practicable Date, the Company owns approximately 55.60% of the total LSD Shares.

Information on LF

With reference to the Board Letter, LF 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 LF 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.

As at the Latest Practicable Date, LSD owns approximately 55.08% of the total LF Shares.

Reasons for entering into the Financial Assistance Framework Agreements

The LSG Financial Assistance Framework Agreements

With reference to the Board Letter, as at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of the Group (excluding the LSD Group) amounted to approximately HK$86.4 million and HK$425.0 million, respectively.

The Directors are of the view that the proposed provision of financial assistance by the LSG Lender Group to the LSD Borrower Group and the LF Borrower Group respectively under the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement will, on one hand, enable the LSG Lender Group to better utilise any excess cash at hand and generate interest income and, on the other hand, enable members of the LSD Borrower Group and the LF Borrower Group (which are also members of the Group) to efficiently utilise its cash resources, such as to fulfil its financial obligation and meet their operational needs from time to time as necessary.

The availability of the Intercompany Loans from the LSG Lender Group (subject to the LSG Lender Group having sufficient available funds to provide the requisite financial assistance) will provide members of the LSD Borrower Group and the LF Borrower Group with an alternative source of financing other than obtaining external loans from third-party lenders and incurring third-party interest expenses. The Company, as the holding company of LSD and LF, will in turn benefit from the financial assistance received by the LSD Borrower Group and the LF Borrower Group under the relevant Intercompany Loan Transactions.

By entering into the LSG Financial Assistance Framework Agreements, the Directors are of the view that this will provide flexibility for the LSG Lender Group to enter into the LSG-LSD Loan Transactions with the LSD Borrower Group and the LSG-LF Loan Transactions with the LF Borrower Group from time to time as necessary and, at the same time, regulate such Intercompany Loan Transactions within the confines of the Listing Rules.

We noted from each of the LSG Financial Assistance Framework Agreements, the advance of each Intercompany Loan shall be conditional upon (amongst any other conditions precedent) the relevant Lender having sufficient available funds to finance the Intercompany Loan. Accordingly, we consider that the entering into the LSG Financial Assistance Framework Agreements will provide flexibility for the Group to allocate its financial resources without hindering the Group (excluding the LSD Group) to meet its own financial requirements.

In light of the above, we are of the view that although the Intercompany Loan Transactions contemplated under the LSG Financial Assistance Framework Agreements are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders as a whole.

The LSD Financial Assistance Framework Agreement

With reference to the Board Letter, as at 31 July 2025, the consolidated cash and bank balances and undrawn facilities of the LSD Group (excluding the eSun Group and LF Group) amounted to approximately HK$2,014.3 million and HK$1,199.6 million, respectively.

The Directors and the LSD Directors are of the view that the proposed provision of financial assistance by the LSD Lender Group to the LF Borrower Group under the LSD-LF Framework Agreement will, on one hand, enable the LSD Lender Group to better utilise any excess cash at hand and generate interest income and, on the other hand, enable members of the LF Borrower Group (which is also members of the Group and the LSD Group) to efficiently utilise its cash resources, such as to fulfil its financial obligation and meet their operational needs from time to time as necessary.

The availability of the Intercompany Loans from the LSD Lender Group (subject to the LSD Lender Group having sufficient available funds to provide the requisite financial assistance) will provide members of the LF Borrower Group with an alternative source of financing other than obtaining external loans from third-party lenders and incurring third-party interest expenses. The Company as the holding company of LSD, will in turn benefit from the interest income to be received by the LSD Lender Group under the relevant Intercompany Loan Transactions. The Company and LSD, as the holding companies of LF, will also in turn benefit from the financial assistance received by the LF Borrower Group under the relevant Intercompany Loan Transactions.

By entering into the LSD Financial Assistance Framework Agreement, the Directors and the LSD Directors are of the view that this will provide flexibility for the LSD Lender Group to enter into the LSD-LF Loan Transactions with the LF Borrower Group from time to time and, at the same time, regulate such Intercompany Loan Transactions within the confines of the Listing Rules.

We noted from the LSD Financial Assistance Framework Agreement, the advance of each Intercompany Loan shall be conditional upon (amongst any other conditions precedent) the relevant Lender having sufficient available funds to finance the Intercompany Loan. Accordingly, we consider that the entering into the LSD Financial Assistance Framework Agreement will provide flexibility for the Group to allocate its financial resources without hindering the LSD Group (excluding the LF Group) to meet its own financial requirements.

In light of the above, we are of the view that although the Intercompany Loan Transactions contemplated under the LSD Financial Assistance Framework Agreement are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders as a whole.

Principal terms of the Intercompany Loan Transactions

(1) LSG-LSD Framework Agreement

The principal terms of the LSG-LSD Framework Agreement are summarised below:

Date:	9 September 2022
Parties:	(i) the Company (as lender); and (ii) LSD (as borrower)

Term:	Commenced from 1 January 2023 and expiring on 31 December 2025 and thereafter to be automatically renewed for subsequent periods of three (3) years on the same terms and conditions unless terminated, provided always that the renewal of the term shall be conditional upon (i) the Company having determined new annual caps to apply for the Renewed Term; and (ii) the Company's due compliance with all applicable requirements of the Listing Rules (including the requirement to obtain independent shareholders' approval, if applicable).
LSG-LSD Loan Transactions:	At any time during the term, any LSG Lender Group Company (as lender) and any LSD Borrower Group Company (as borrower) may enter into LSG-LSD Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each LSG-LSD Loan Transaction shall fully comply with the terms and conditions of the LSG-LSD Framework Agreement.
General Terms:	General Terms of the LSG-LSD Framework Agreement are set out under the section headed "(4) General Terms" below
Other term:	The proceeds of each LSG-LSD Loan Transaction shall be used by the LSD Borrower Group for general corporate and working capital purposes and, for the avoidance of doubt, not for onward lending to the LF Group.

(2) LSG-LF Framework Agreement

The principal terms of the LSG-LF Framework Agreement are summarised below:

Date:	9 September 2022
Parties:	(i) the Company (as lender); and (ii) LF (as borrower)
Term:	Commenced from 1 January 2023 and expiring on 31 December 2025 and thereafter to be automatically renewed for subsequent periods of three (3) years on the same terms and conditions unless terminated, provided always that the renewal of the term shall be conditional upon (i) the Company having determined new annual caps to apply for the Renewed Term; and (ii) the Company's due compliance with all applicable requirements of the Listing Rules (including the requirement to obtain independent shareholders' approval, if applicable).
LSG-LF Loan Transactions:	At any time during the term, any LSG Lender Group Company (as lender) and any LF Borrower Group Company (as borrower) may enter into LSG-LF Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each LSG-LF Loan Transaction shall fully comply with the terms and conditions of the LSG-LF Framework Agreement.
General Terms:	General Terms of the LSG-LF Framework Agreement are set out under the section headed "(4) General Terms" below

(3) LSD-LF Framework Agreement

The principal terms of the LSD-LF Framework Agreement are summarised below:

Date:	9 September 2022
Parties:	(i) LSD (as lender); and (ii) LF (as borrower)
Term:	Commenced from 1 January 2023 and expiring on 31 December 2025 and thereafter to be automatically renewed for subsequent periods of three (3) years on the same terms and conditions unless terminated, provided always that the renewal of the term shall be conditional upon (i) LSD having determined new annual caps to apply for the Renewed Term; and (ii) the Company's and LSD's due compliance with all applicable requirements of the Listing Rules (including the requirement to obtain independent shareholders' approval, if applicable).
LSD-LF Loan Transactions:	At any time during the term, any LSD Lender Group Company (as lender) and any LF Borrower Group Company (as borrower) may enter into LSD-LF Loan Transaction(s) upon such terms and conditions as may be mutually agreed between the parties thereto, provided that each LSD-LF Loan Transaction shall fully comply with the terms and conditions of the LSD-LF Framework Agreement.
General Terms:	General Terms of the LSD-LF Framework Agreement are set out under the section headed "(4) General Terms" below

(4) General Terms of the Intercompany Loan Transactions

General Terms

The parties to each of the Financial Assistance Framework Agreements have agreed with each other as follows:

(a) each Intercompany Loan Transaction shall take the form of unsecured bilateral loan(s) to be granted by a Lender Group Company (as lender) to a Borrower Group Company (as borrower), and no mortgage, pledge or other security over the assets of or interest in any member of the relevant Borrower Group shall be granted;

(b) the effective interest rate of each Intercompany Loan Transaction shall be the aggregate of HIBOR for the relevant interest period and an interest margin to be determined by the relevant lender on a case-by-case basis in accordance with the provisions set out in the sub-section headed "*Market comparison*" below (the "**Market Comparison Provisions**");

(c) each Intercompany Loan Transaction shall be on normal commercial terms;

(d) each Intercompany Loan Transaction shall be governed by a written loan agreement which shall clearly set out the terms and conditions upon which the Intercompany Loan Transaction shall be undertaken (including but not limited to any conditions precedent, the interest rate, the repayment schedule and any prepayment conditions);

(e) the advance of each Intercompany Loan shall be conditional upon (amongst any other conditions precedent) the relevant Lender having sufficient available funds to finance the Intercompany Loan;

(f) at any time during the term of the relevant Financial Assistance Framework Agreement, the aggregate amount of the Intercompany Loans provided by the Lenders to the Borrowers shall not exceed the relevant Annual Cap for the relevant financial year; and

(g) each Intercompany Loan Transaction shall be in compliance with the provisions of the relevant Financial Assistance Framework Agreement, the constitutional documents of the Lenders and the Borrowers, and all applicable laws and regulations (including but not limited to the Listing Rules).

Market comparison

The parties to each Financial Assistance Framework Agreement have further agreed with each other that, when a decision is to be made by a Lender Group Company on the terms and conditions of an Intercompany Loan Transaction to be offered to a Borrower Group Company, the Lender Group Company shall obtain the prevailing rates and terms at the time offered by not less than two major independent commercial banks in Hong Kong for a similar loan (similar as to currency, term, type of interest rate and other factors deemed relevant by the Lender Group Company) for comparison; and without prejudice to paragraphs (b) and (c) set out in the sub-section headed "*General Terms*" above, the interest margin to be offered by the Lender Group Company in an Intercompany Loan Transaction shall not be (i) lower than the lowest interest margin offered by the aforesaid commercial banks, and (ii) higher than the highest interest margin offered by the aforesaid commercial banks.

With reference to the Board Letter, (i) the Company adopted the internal control measures as set out under the section headed "10. INTERNAL CONTROL MEASURES" of the Board Letter in respect of each Intercompany Loan Transaction to be entered into by a LSG Lender Group Company (as lender) pursuant to the Financial Assistance Framework Agreements (the "**Company IC Measures**"); and (ii) LSD adopted the internal control measures as set out under the section headed "10. INTERNAL CONTROL MEASURES" of the Board Letter in respect of each Intercompany Loan Transaction to be entered into by a LSD Lender Group Company (as lender) pursuant to the LSD Financial Assistance Framework Agreements (the "**LSD IC Measures**").

With reference to the Board Letter, there was no transaction under the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement during the three financial years ended 31 July 2025.

In respect of the LSD-LF Loan Transactions, for our due diligence purpose, we obtained all the executed individual loan agreement (with supplemental agreement) under the LSD-LF Framework Agreement during the three financial years ended 31 July 2025. Upon our further request, the Company also provided us with LSD's internal approval records regarding the aforesaid executed individual loan agreement (with supplemental agreement). Nothing from the aforesaid documents has come to our attention that causes us to believe that the executed individual loan agreement (with supplemental agreement) did not comply with the LSD IC Measures.

We consider that the General Terms, the Market Comparison Provisions and the effective implementation of the Company IC Measures/LSD IC Measures can ensure fair interest rates determination of the Intercompany Loan Transactions.

(5) Annual Caps

The table below demonstrates the Annual Caps:

	For the year ending 31 July			
	2026	**2027**	**2028**	**2029**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
LSG-LSD Annual Caps	350,000	350,000	350,000	350,000
LSG-LF Annual Caps	350,000	350,000	350,000	350,000
LSD-LF Annual Caps	1,500,000	1,500,000	1,500,000	1,500,000

With reference to the Board Letter, during the Initial Term, (i) there were no transactions under the LSG-LSD Framework Agreement and the LSG-LF Framework Agreement; and (ii) the aggregate amount of the Intercompany Loans provided by the LSD Lender Group Companies to the LF Borrower Group Companies for the financial years ended 31 July 2023, 2024 and 2025 were nil, nil and approximately HK$565 million respectively, under the LSD-LF Framework Agreement.

Set out below are the basis of the Annual Caps as extracted from the Board Letter:

In arriving at the LSG-LSD Annual Caps set out above, the Directors have considered the following factors: (i) the cash position, the estimated operating cash flow as well as financing capacity of the LSG Lender Group; (ii) the expected financing demands of the LSD Borrower Group in each of the financial years during the Renewed Term; (iii) despite the fact that there were no utilisation of the LSG-LSD Annual Caps during the Initial Term, the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LSD Borrower Group.

In arriving at the LSG-LF Annual Caps set out above, the Directors have considered the following factors: (i) the cash position, the estimated operating cash flow as well as financing capacity of the LSG Lender Group; (ii) the expected financing demands of the LF Borrower Group in each of the financial years during the Renewed Term; (iii) despite the fact that there were no utilisation of the LSG-LF Annual Caps during the Initial Term, the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LF Borrower Group.

In arriving at the LSD-LF Annual Caps set out above, the Directors have considered the following factors: (i) the cash position, the estimated operating cash flow as well as financing capacity of the LSD Lender Group; (ii) the expected financing demands of the LF Borrower Group in each of the financial years during the Renewed Term; (iii) the historical transaction amounts during the Initial Term of the LSD-LF Framework Agreement; and (iv) the necessity for flexibility and a contingency buffer for additional financial assistance to accommodate unanticipated operational and/or other funding needs of the LF Borrower Group.

Detailed basis of the Annual Caps is set out under the section headed "Detailed Basis of the Annual Caps" of the Board Letter.

For our due diligence purpose, we obtained from the Company the cashflow projections of (i) the LSG Lender Group; (ii) the LSD Lender Group; and (iii) the LF Group, covering the period from 1 January 2026 to 31 December 2028 (being the Renewed Term). As advised by the Directors, the aforesaid cashflow projections were principally based on the expected operating, financing and/or investing activities of the subject group.

As aforementioned, the principal activities of the LF 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. With reference to the Board Letter, the under-development project of LF Group is Novotown Phase II in Hengqin, Zhuhai. Phase I of the Novotown has transformed itself into "Hengqin-Macao Cross-border E-Commerce Industrial Park (Novotown)" with leading Chinese e-commerce and new technology industry companies located in Hengqin. The demand for accommodation and office space underpinned the progress of Novotown Phase II. Construction of Novotown Phase II is in progress and it comprises eleven towers, of which one is for office use and the other ten are for accommodation purpose. Towers four to eleven have been approved by the local government as accommodation for rental purpose. Construction work for Tower one, designated for serviced apartment use, was completed in late July 2025. Tower three, designated for serviced apartment use, will be completed by September 2026 and Tower two, designated for office use, is expected to complete by August 2026. The total development costs yet to be incurred in phases are expected to amount to approximately RMB700 million.

The aforesaid cashflow projection of the LF Group demonstrated the funding needs of the on-going businesses of the LF Group, including Novotown Phase II and repayment of external debts.

As advised by the Directors, after considering the financing capacity and the cashflow projection of the LSG Lender Group, it is appropriate to limit the balance of the LSG-LSD Loan Transactions and the LSG-LF Loan Transactions to HK$350 million during the Renewed Term. When entering into each Intercompany Loan Transaction, the LSG Lender Group will take into account (1) the amount of funds available to provide the Intercompany Loan and (2) the aggregated outstanding of Intercompany Loans of LSD Borrower Group and LF Borrower Group which should not exceed HK$350 million at any moment in time.

Despite that the LSD Lender Group is expected to have financing capacity to conduct the LSD-LF Loan Transactions, the Company also set the LSG-LSD Annual Caps at HK$350 million for each of the four years ending 31 July 2029 to allow flexibility for the Group to provide the LSD Borrower Group loan for general corporate and working capital purposes, if and when necessary (for the avoidance of doubt, such loan will not apply for onward lending to the LF Group).

Based on the cashflow projection of the LF Group, LF Group's possible financing demands from LSG Lender Group/LSD Lender Group can be covered by the LSG-LF Annual Caps/the LSD-LF Annual Caps. The LSG-LF Annual Caps were capped at HK$350 million for each of the year ending 31 July 2029 for the aforementioned reason. As advised by the Directors, after considering the financing capacity and the cashflow projection of the LSD Lender Group, it is appropriate to limit the balance of the LSD-LF Loan Transactions to HK$1,500 million during the Renewed Term.

Under each of the Financial Assistance Framework Agreements, the advance of each Intercompany Loan shall be conditional upon (amongst any other conditions precedent) the relevant Lender having sufficient available funds to finance the Intercompany Loan.

It is one of the Company IC Measures that: The provision of the Intercompany Loans by the LSG Lender Group under each LSG Financial Assistance Framework Agreement must go through the Company's internal review and approval procedures as follows: (i) management will review cash flow projections of the LSG Lender Group and Borrower Groups and consider the Company's overall debt positions; (ii) the finance department will consider the financial impacts of the Intercompany Loan Transactions on the Group, as well as each of LSG Lender Group and Borrower Groups; and (iii) taking into consideration the cash flow positions of LSG Lender Group and the overall solvency positions of the Group, the executive Directors shall approve the Intercompany Loans with amounts that are considered sufficient and necessary for operational needs of Borrower Groups, and ensure the LSG Lender Group retain sufficient financial resources for its own operation and business development.

It is one of the LSD IC Measures that: The provision of the Intercompany Loans by the LSD Lender Group under the LSD Financial Assistance Framework Agreement must go through the LSD's internal review and approval procedures as follows: (i) management will review cash flow projections of the LSD Lender Group LF Borrower Group and consider the LSD's overall debt positions; (ii) the finance department will consider the financial impacts of the Intercompany Loan Transactions on the LSD Group, as well as each of LSD Lender Group LF Borrower Group; and (iii) taking into consideration of the cash flow positions of LSD Lender Group and the overall solvency positions of LSD Group, the executive directors of LSD shall approve the Intercompany Loans with amounts that are considered sufficient and necessary for operational needs of LF Borrower Group, and ensure the LSD Lender Group retain sufficient financial resources for its own operation and business development.

As advised by the Directors, the Annual Caps were set for providing flexibility for the Group to allocate its financial resources and do not imply any obligation or commitment of the LSG Lender Group/LSD Lender Group to provide any loan up to the Annual Caps amount.

Given the above, the Intercompany Loan Transactions and the Annual Caps will not hinder (i) the LSG Lender Group; or (ii) the LSD Lender Group to meet its own financial requirements.

Having considered the above, we consider the Annual Caps to be fair and reasonable.

Shareholders should note that as the Annual Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 July 2029, and they do not represent forecasts of loans to be provided under the Intercompany Loan Transactions. Consequently, we express no opinion as to how closely the actual loans to be provided under the Intercompany Loan Transactions will correspond with the Annual Caps.

Having considered the principal terms of the Intercompany Loan Transactions (including the Annual Caps) as aforementioned, we are of the view that the terms of the Intercompany Loan Transactions are on normal commercial terms and are fair and reasonable.

LISTING RULES IMPLICATION

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Listing Rules pursuant to which (i) the values of the Intercompany Loan Transactions must be restricted by the Annual Caps; (ii) the terms of the Intercompany Loan Transactions (including the respective Annual Caps) must be reviewed by the independent non-executive Directors annually; (iii) details of independent non-executive Directors' annual review on the terms of the Intercompany Loan Transactions must be included in the Company's subsequent published annual reports and financial accounts. Furthermore, it is also required by the Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the Intercompany Loan Transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the General Terms; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded the Annual Caps. In the event that the total amounts of any of the Intercompany Loan Transactions are anticipated to exceed the corresponding Annual Caps, or that there is any proposed material amendment to the terms of any of the Intercompany Loan Transactions, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Listing Rules governing continuing connected transactions.

Given the above stipulated requirements for continuing connected transactions pursuant to the Listing Rules, we are of the view that there are adequate measures in place to monitor the Intercompany Loan Transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Intercompany Loan Transactions are on normal commercial terms and are fair and reasonable; and (ii) although the Intercompany Loan Transactions are not conducted in the ordinary and usual course of business of the Group, they are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the General Meeting to approve the Intercompany Loan Transactions and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO); or (ii) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO ("**Register of Directors and Chief Executive**"); or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Code of Practice for Securities Transactions by Directors and Designated Employees adopted by the Company ("**Securities Code**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of the Listed Issuers contained in Appendix C3 to the Listing Rules; or (iv) as known by the Directors were as follows:

(a) The Company

Long positions in the Shares and the underlying Shares

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued Shares *(Note 1)*
Dr. Peter Lam *(Note 6)*	Beneficial owner/ Owner of controlled corporations	129,149,733 *(Note 2)*	Nil	258,168,186 *(Note 3)*	1,832,017 *(Notes 4 & 5)*	389,149,936	44.05%
Madam U *(Note 6)*	Beneficial owner	1,857,430	Nil	Nil	Nil	1,857,430	0.21%
Mr. Lester Lam *(Note 6)*	Beneficial owner	28,033,218	Nil	Nil	6,519,095 *(Notes 4 & 5)*	34,552,313	3.91%

Notes:

1. *The percentage has been compiled based on the total number of issued Shares as at the Latest Practicable Date (i.e. 883,373,901 Shares).*

2. *Dr. Peter Lam purchased 16,938,695 Shares on 14 February 2025, increasing his personal interests from 112,211,038 Shares to 129,149,733 Shares.*

3. *As at the Latest Practicable Date, Dr. Peter Lam was deemed to be interested in 258,168,186 Shares (representing approximately 29.23% of the Company's issued share capital) by virtue of his 100% interest in the issued share capital of Wisdoman which directly owned 258,168,186 Shares.*

4. *A share option was granted by the Company to each of Dr. Peter Lam and Mr. Lester Lam, the particulars of which before 2022 Rights Issue are set out below:*

Name of Director	*Date of grant*	*Number of underlying Shares comprised in the share options*	*Exercise period of share options*	*Exercise price of share options* *HK$ per Share*
Dr. Peter Lam	*19/06/2017*	*425,033*	*19/06/2017 – 18/06/2027*	*11.763*
Dr. Peter Lam	*25/01/2022*	*1,312,300*	*25/01/2022 – 24/01/2032*	*3.874*
Mr. Lester Lam	*19/06/2017*	*4,869,867*	*19/06/2017 – 18/06/2027*	*11.763*
Mr. Lester Lam	*25/01/2022*	*1,312,300*	*25/01/2022 – 24/01/2032*	*3.874*

5. *The exercise price of and the number of Shares entitled to be subscribed for under the outstanding share options have been adjusted on 3 January 2023 in the following manner following the completion of the 2022 Rights Issue:*

Name of Director	**Number of underlying Shares comprised in share options before the 2022 Rights Issue**	**Exercise price of share options before the 2022 Rights Issue** *HK$ per Share*	**Adjusted number of underlying Shares comprised in share options after the 2022 Rights Issue**	**Adjusted exercise price of share options after the 2022 Rights Issue** *HK$ per Share*
Dr. Peter Lam	*425,033*	*11.763*	*448,197*	*11.155*
Dr. Peter Lam	*1,312,300*	*3.874*	*1,383,820*	*3.673*
Mr. Lester Lam	*4,869,867*	*11.763*	*5,135,275*	*11.155*
Mr. Lester Lam	*1,312,300*	*3.874*	*1,383,820*	*3.673*

6. *Dr. Peter Lam, Madam U and Mr. Lester Lam are the directors of Wisdoman.*

(b) Associated Corporations

(i) LSD – a subsidiary of the Company

Long positions in the LSD Shares and the underlying LSD Shares

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued LSD Shares *(Note 1)*
Dr. Peter Lam	Beneficial owner/Owner of controlled corporations	975,907	Nil	808,084,296 *(Note 2)*	Nil	809,060,203	55.67%
Madam U *(Note 3)*	Beneficial owner	60,567	Nil	Nil	Nil	60,567	0.01%

Notes:

1. *The percentage has been compiled based on the total number of issued LSD Shares as at the Latest Practicable Date (i.e. 1,453,328,830 LSD Shares).*

2. *As at the Latest Practicable Date, the Company and two of its wholly-owned subsidiaries, namely Joy Mind and Zimba, beneficially owned in aggregate 808,084,296 LSD Shares, representing approximately 55.60% of the issued share capital of LSD. As such, Dr. Peter Lam was deemed to be interested in the same 808,084,296 LSD Shares (representing approximately 55.60% of the issued share capital of LSD) by virtue of, in aggregate, his personal (including underlying shares) and deemed interests of approximately 44.05% in the issued share capital of the Company.*

   The Company pledged approximately 208,513,987 LSD Shares as security pursuant to its 7.70% secured guaranteed notes due 2018 under a share charge dated 24 July 2014. The amount has been repaid in full.

3. *Madam U is the widow of the late Mr. Lim Por Yen whose estate includes an interest of 8,718,829 LSD Shares, representing approximately 0.60% of the issued share capital of LSD.*

(ii) eSun – a subsidiary of LSD

*Long positions in the ordinary shares of eSun ("**eSun Shares**") and the underlying eSun Shares*

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued eSun Shares *(Note 1)*
Dr. Peter Lam *(Note 3)*	Beneficial owner/ Owner of controlled corporations	2,794,443	Nil	1,113,260,072 *(Note 2)*	Nil	1,116,054,515	63.56%
Mr. Lester Lam	Beneficial owner	2,794,443	Nil	Nil	Nil	2,794,443	0.16%

Notes:

1. *The percentage has been compiled based on the total number of issued eSun Shares as at the Latest Practicable Date (i.e. 1,755,876,866 eSun Shares).*

2. *As at the Latest Practicable Date, the Company was interested in 808,084,296 LSD Shares, representing approximately 55.60% of the issued share capital of LSD. Transtrend Holdings Limited ("**Transtrend**"), a wholly-owned subsidiary of LSD, was interested in 1,113,260,072 eSun Shares, representing approximately 63.40% of the issued share capital of eSun. As such, Dr. Peter Lam was deemed to be interested in the same 1,113,260,072 eSun Shares (representing approximately 63.40% of the issued share capital of eSun) by virtue of, in aggregate, his personal (including underlying shares) and deemed interests of approximately 44.05% and 55.67% in the issued share capital of the Company and LSD, respectively.*

3. *Dr. Peter Lam resigned as an executive director of eSun with effect from 14 February 2014.*

(iii) LF – a subsidiary of LSD

Long positions in the LF Shares and the underlying LF Shares

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued LF Shares *(Note 1)*
Dr. Peter Lam *(Note 3)*	Owner of controlled corporations	Nil	Nil	182,318,266 *(Note 2)*	Nil	182,318,266	55.08%

Notes:

1. *The percentage has been compiled based on the total number of issued LF Shares as at the Latest Practicable Date (i.e. 331,033,443 LF Shares).*

2. *As at the Latest Practicable Date, LSD was interested or deemed to be interested in 182,318,266 LF Shares, of which 180,600,756 LF Shares were beneficially owned by Holy Unicorn Limited, a wholly-owned subsidiary of LSD and 1,717,510 LF Shares were beneficially owned by Transtrend, representing approximately 55.08% of the issued share capital of LF. As such, Dr. Peter Lam was deemed to be interested in the same 182,318,266 LF Shares (representing approximately 55.08% of the issued share capital of LF) by virtue of, in aggregate, his personal (including underlying shares) and deemed interests approximate 44.05% and 55.67% in the issued share capital of the Company and LSD, respectively.*

3. *Dr. Peter Lam was appointed the chairman and an executive director of LF on 2 June 2023.*

(iv) Lai Sun MTN Limited – a subsidiary of LSD

Long position in the 5% guaranteed medium term notes due 2026

Name of Director	Capacity	Nature of interests	Principal amount
Dr. Peter Lam	Beneficial owner	Personal	USD13,500,000

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company and their respective close associates was interested, or was deemed to be interested in the long and short positions in the shares, underlying shares and/or debentures of the Company or any of its associated corporations, which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or as recorded in the Register of Directors and Chief Executive pursuant to section 352 of the SFO, or as notified to the Company and the Stock Exchange under the Securities Code or otherwise known by the Directors.

Save as otherwise disclosed in this circular, as at the Latest Practicable Date, none of the Company or its subsidiaries is a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or exercised any such right.

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARE CAPITAL OF THE COMPANY

As at the Latest Practicable Date, so far as it is known by or otherwise notified by any Director or the chief executive of the Company, the particulars of the corporations or individuals, who had 5% or more interests in the following long positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, as recorded in the register required to be kept under section 336 of the SFO ("**Register of Shareholders**") or were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company ("**Voting Entitlements**") (i.e. within the meaning of substantial shareholders of the Listing Rules) were as follows:

Long positions in the Shares and the underlying Shares

Name	**Capacity**	**Nature of interests**	**Number of Shares and underlying Shares**	**Approximate % of issued Shares** *(Note 1)*
Dr. Peter Lam *(Note 2)*	Beneficial owner/ Owner of controlled corporations	Personal and corporate	389,149,936 *(Note 3)*	44.05%
Wisdoman *(Note 2)*	Beneficial owner	Corporate	258,168,186 *(Note 4)*	29.23%
Yu Cheuk Yi	Beneficial owner	Personal	185,690,000 *(Note 5)*	21.02% *(Note 5)*
Yu Siu Yuk	Beneficial owner	Personal	185,690,000 *(Note 5)*	21.02% *(Note 5)*

Notes:

1. *The percentage has been compiled based on the total number of issued Shares as at the Latest Practicable Date (i.e. 883,373,901 Shares).*

2. *Dr. Peter Lam, a Director of the Company, is also a director of Wisdoman.*

3. *Dr. Peter Lam purchased 16,938,695 Shares on 14 February 2025, increasing his personal and corporate interests from 372,211,241 Shares to 389,149,936 Shares.*

4. *Dr. Peter Lam was deemed to be interested in 258,168,186 Shares owned by Wisdoman by virtue of his 100% interests in the issued share capital of Wisdoman.*

5. *Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk jointly held 185,690,000 Shares (21.02%) according to shareholdings shown in the last Individual Substantial Shareholder Notice (Form 1) filed for an event on 22 May 2023.*

Save as disclosed above, the Directors are not aware of any other corporation or individual (other than a Director or the chief executive of the Company) who, as at the Latest Practicable Date, had the Voting Entitlements or 5% or more interests or short positions in the Shares or underlying Shares as recorded in the Register of Shareholders.

4. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the following Directors are considered to have interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group (which would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling shareholder of the Company):

A. Dr. Peter Lam, Madam U and Mr. Lester Lam (together, "**Interested Directors**") held shareholding or other interests and/or directorships in companies/entities engaged in the businesses of property investment and development in Hong Kong and the PRC, including LSD, LF and Crocodile Garments Limited.

B. Dr. Peter Lam held shareholding or other interests and/or directorships in companies or entities engaged in the business of investment in and operation of hotels and restaurants, media and entertainment, film production and distribution and cinema operation.

The Directors do not consider the interests held by the Interested Directors to be competing in practice with the relevant business of the Group in view of:

(a) different locations and different uses of the properties owned by the above companies and those of the Group; and

(b) different target customers of the restaurant operations as well as the concerts and albums of the above companies and those of the Group.

In addition, the Board is independent from the boards of directors/governing committees of the aforesaid companies/entities and none of the Interested Directors can personally control the Board. Further, each of the Interested Directors is fully aware of, and has been discharging his/her fiduciary duty to the Company and has acted and will continue to act in the best interest of the Company and the Shareholders as a whole. Therefore, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies/entities.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in a business which competes or are likely to compete with the businesses of the Group (which would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them was a controlling shareholder of the Company).

5. MATERIAL ADVERSE CHANGE

The Directors confirm that the Directors were not aware of any material adverse change in the financial or trading position of the Group as a whole since 31 July 2025 (being the date to which the latest published audited financial statements of the Group were made up).

6. LITIGATION

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the relevant member of the Group within one year without payment of compensation (other than the statutory compensation).

8. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE GROUP

As at the Latest Practicable Date, (a) none of the Directors had any interest, direct or indirect, in any assets which had been, since 31 July 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at such date and which was significant in relation to the business of the Group.

9. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has made statement in this circular:

Name	Qualification
Gram Capital Limited	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

Gram Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, recommendation, opinion and/or references to its name in the form and context in which they are included.

10. EXPERT'S INTERESTS

As at the Latest Practicable Date, Gram Capital:

(a) did not have any direct or indirect interest in any assets which have been, since 31 July 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to, any member of the Group, or were proposed to be acquired, disposed of by, or leased to, any member of the Group; and

(b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.laisun.com) for a period of 14 days from the date of this circular:

(a) the LSG-LSD Framework Agreement;

(b) the LSG-LF Framework Agreement;

(c) the LSD-LF Framework Agreement;

(d) the letter from the Independent Board Committee, the text of which is set out in this circular;

(e) the letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders, the text of which is set out in this circular;

(f) the written consent of the Gram Capital referred to in this appendix; and

(g) this circular.

12. GENERAL

(a) The address of the registered office of the Company is 11th Floor, Lai Sun Commercial Centre, 680 Cheung Sha Wan Road, Kowloon, Hong Kong;

(b) the company secretary of the Company is Ms. Tse Pik Ha, who is an associate member of The Hong Kong Chartered Governance Institute (formerly known as The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom;

(c) the share registrar of the Company is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong; and

(d) in case of inconsistency, the English text of this circular shall prevail over the Chinese text.



LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 191)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a general meeting ("**General Meeting**") of the members ("**Members**") of Lai Sun Garment (International) Limited ("**Company**") will be held at Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong, on Friday, 19 December 2025 at 12:50 p.m. (or as soon thereafter as the annual general meeting of the Company convened at the same place and on the same date at 12:00 noon shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**

   (a) the automatic renewal of the LSG-LSD Framework Agreement (as defined in the circular of the Company dated 4 December 2025 ("**Circular**"), a copy of the LSG-LSD Framework Agreement is tabled at the meeting and marked "A" and initialled by the chairman of the meeting for identification purpose) by the Company (as lender) for a term of three years commencing from 1 January 2026 and expiring on 31 December 2028 be and is hereby approved, confirmed and ratified in all respects;

   (b) the LSG-LSD Loan Transactions (as defined in the Circular) contemplated under the LSG-LSD Framework Agreement be and are hereby approved, confirmed and ratified;

   (c) the LSG-LSD Annual Caps (as defined in the Circular) be and are hereby approved and confirmed; and

(d) any director or two directors of the Company (if executed under the common seal of the Company ("**Common Seal**")) be and is/are hereby authorised for and on behalf of the Company to do all things and acts, enter into all transactions, arrangements and agreements, and sign and execute all documents (under hand or under the Common Seal) which he/she may in his/her absolute discretion, consider desirable or expedient to implement and/or to give effect to the LSG-LSD Framework Agreement and the LSG-LSD Loan Transactions contemplated thereunder."

2. "**THAT**

(a) the automatic renewal of the LSG-LF Framework Agreement (as defined in the Circular, a copy of the LSG-LF Framework Agreement is tabled at the meeting and marked "B" and initialled by the chairman of the meeting for identification purpose) by the Company (as lender) for a term of three years commencing from 1 January 2026 and expiring on 31 December 2028 be and is hereby approved, confirmed and ratified in all respects;

(b) the LSG-LF Loan Transactions (as defined in the Circular) contemplated under the LSG-LF Framework Agreement be and are hereby approved, confirmed and ratified;

(c) the LSG-LF Annual Caps (as defined in the Circular) be and are hereby approved and confirmed; and

(d) any director or two directors of the Company (if executed under the Common Seal) be and is/are hereby authorised for and on behalf of the Company to do all things and acts, enter into all transactions, arrangements and agreements, and sign and execute all documents (under hand or under the Common Seal) which he/she may in his/her absolute discretion, consider desirable or expedient to implement and/or to give effect to the LSG-LF Framework Agreement and the LSG-LF Loan Transactions contemplated thereunder."

3. "**THAT**

(a) the automatic renewal of the LSD-LF Framework Agreement (as defined in the Circular, a copy of the LSD-LF Framework Agreement is tabled at the meeting and marked "C" and initialled by the chairman of the meeting for identification purpose) by LSD (as lender) for a term of three years commencing from 1 January 2026 and expiring on 31 December 2028 be and is hereby approved, confirmed and ratified in all respects;

(b) the LSD-LF Loan Transactions (as defined in the Circular) contemplated under the LSD-LF Framework Agreement be and are hereby approved, confirmed and ratified;

(c) the LSD-LF Annual Caps (as defined in the Circular) be and are hereby approved and confirmed; and

(d) any director of the Company be and is hereby authorised to do all things and acts which he/she may in his/her absolute discretion, consider desirable or expedient to implement and/or to give effect to the LSD-LF Framework Agreement and the LSD-LF Loan Transactions contemplated thereunder."

By order of the Board
Lai Sun Garment (International) Limited
Tse Pik Ha
Company Secretary

Hong Kong, 4 December 2025

Registered Office:
11th Floor
Lai Sun Commercial Centre
680 Cheung Sha Wan Road
Kowloon
Hong Kong

Notes:

1. *A Member entitled to attend and vote at the General Meeting convened by the above notice ("**Notice**") or its adjourned meeting (as the case may be) is entitled to appoint one (or if he/she/it holds two or more shares in the share capital of the Company ("**Shares**"), more than one) proxy to attend and speak at the General Meeting and, on a poll, vote on his/her/its behalf in accordance with the articles of association of the Company. A proxy need not be a Member.*

2. *A form of proxy for use at the General Meeting is sent to the Members with the Circular containing this Notice available at the respective websites of Hong Kong Exchanges and Clearing Limited ("**HKEX**") and the Company.*

3. *To be valid, a form of proxy, duly signed and completed together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's share registrar, Tricor Investor Services Limited ("**Registrar**"), at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the General Meeting or its adjourned meeting (as the case may be) and in default, the form of proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude Members from attending in person and voting at the General Meeting or at its adjourned meeting (as the case may be) should they so wish. In such case, the said form(s) of proxy shall be deemed to be revoked.*

   The contact phone number of the Registrar is (852) 2980 1333.

4. *The record date for determining the Members' entitlement to attend, speak and vote at the General Meeting is Monday, 15 December 2025. To ascertain the entitlement to attend, speak and vote at the General Meeting, Members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Registrar not later than 4:30 p.m. on Monday, 15 December 2025 for registration.*

5. *Where there are joint registered holders of any Shares, any one of such joint holders may attend and vote at the General Meeting or its adjourned meeting (as the case may be), either personally or by proxy, in respect of such Shares as if he/she/it was solely entitled thereto; but if more than one of such joint holders are present at the General Meeting or its adjourned meeting (as the case may be), personally or by proxy, then one of such holders so present whose name stands first in the Register of Members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.*

6. *In compliance with Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, voting on all the resolutions proposed in this Notice shall be decided by way of poll at the General Meeting.*

7. *If a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal or "extreme conditions" announced by the Government of the Hong Kong Special Administrative Region of the People's Republic of China is/are expected to be in force at any time after 6:30 a.m. on the date of the General Meeting, the General Meeting will be postponed and Members will be informed of the date, time and venue of the postponed General Meeting by a supplementary notice posted on the respective websites of HKEX and the Company.*

   If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal or "extreme conditions" is cancelled at or before 6:30 a.m. on the date of the General Meeting and where conditions permit, the General Meeting will be held as scheduled.

   The General Meeting will be held as scheduled when an amber or red rainstorm warning signal is in force.

   Having considered their own situations, Members should decide on their own whether they would attend the General Meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.

8. *Members are advised to read the Circular which contains information concerning the resolutions to be proposed at the General Meeting.*

9. *No refreshments or corporate gifts will be provided at the General Meeting.*