LAI SUN GARMENT

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

LAI SUN DEVELOPMENT

Lai Sun Development Company Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 488)

JOINT ANNOUNCEMENT
MAJOR TRANSACTION
(1) DISPOSAL OF A SUBSIDIARY
(2) GRANT OF THE CALL OPTION

THE DISPOSAL

On 28 May 2026 (after trading hours), the Vendor, a direct wholly-owned subsidiary of LSD and an indirect non-wholly-owned subsidiary of LSG (through LSG's shareholding in LSD), and LSD entered into the Agreement with the Purchaser and the Purchaser's Guarantor, pursuant to which the Vendor Group has conditionally agreed to sell the Sale Shares; and the Purchaser has conditionally agreed to purchase the Sale Shares at the Consideration subject to adjustment.

The total consideration of €49,135,000 offered by the Purchaser is based on a valuation of €50,000,000 for 100% of the Target. Based on the Management Pre-Closing FY2025 EBITDA, this implies a multiple of approximately 12x. The transaction involves (i) an initial sale of an 80% interest in the Target, and (ii) the grant of a Put Option to the Vendor and a Call Option to the Purchaser under the Shareholders Agreement in respect of the remaining interest in the Target.

The Consideration for the Disposal is €40,000,000 (being 80% of the total valuation of the Target) subject to adjustment. Such Disposal is effected through the transfer of Sale Shares constituting 81.4% of the total issued Shares, which in turn owns 98.27% of the Target.

THE SHAREHOLDERS AGREEMENT

On 28 May 2026 (after trading hours), the Purchaser, the Vendor and the Target Company entered into the Shareholders Agreement, which provides (among others) for the grant of (i) the Put Option to the Vendor, the exercise of which is entirely at the discretion of the Vendor; and (ii) the Call Option to the Purchaser, the exercise of which is not at the discretion of the Vendor or LSD.

The consideration payable for the Put Option and the Call Option will be calculated on a per-share basis equal to the Consideration paid by the Purchaser to the Vendor under the Agreement. Accordingly, the consideration for each of the Put Option and the Call Option is estimated to be €9,135,000 (representing approximately 18.27% of the total valuation of the Target). Such consideration is to be effected through the transfer of Sale Shares constituting 18.6% of the total issued Shares, which in turn owns 98.27% of the Target.

The Shareholders Agreement shall become effective upon Completion and will not be in force if Completion does not take place.

LISTING RULES IMPLICATIONS

The Listing Rules implications to the Transactions and the transactions contemplated under the Transaction Documents are summarised below:

LSG

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

Pursuant to Rule 14.75(1) of the Listing Rules, as the Put Option is exercisable at the discretion of the Vendor, only the premium paid or payable for the Put Option will be taken into consideration for the purpose of calculating the applicable percentage ratios. As no premium is payable by the Vendor for the grant of the Put Option, the acquisition of the Put Option itself does not constitute a notifiable transaction for LSG. LSG will comply with the relevant reporting, announcement, and/or shareholders' approval requirements under Chapter 14 of the Listing Rules as and when the Vendor exercises the Put Option.

Pursuant to Rule 14.74(1) of the Listing Rules, as the Call Option is not exercisable at the discretion of the Vendor or LSD, on the grant of the Call Option, the transaction will be classified as the Call Option had been exercised. As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the grant of the Call Option, when aggregated with the Disposal, exceeds 25% but all of them are less than 75%, the grant of the Call Option, when aggregated with the Disposal, constitutes a major transaction for LSG under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

The Transactions will be subject to the approval by LSG Shareholders at the GM by way of poll. The GM will be held by LSG for the LSG Shareholders to consider, and if thought fit, pass the resolution(s) to approve the Transactions and the transactions contemplated under the Transaction Documents.

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

LSG proposes to hold the General Meeting on Monday, 29 June 2026. The record date for determining the LSG Shareholders' entitlement to attend, speak and vote at the General Meeting is Tuesday, 23 June 2026. To ascertain the entitlement to attend, speak and vote at the General Meeting, LSG Shareholders must lodge the relevant transfer document(s) and share certificate(s) at the office of LSG's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Tuesday, 23 June 2026 for registration.

LSG will despatch its circular to the LSG Shareholders containing, among other things, further details of the Transactions and other information as required under the Listing Rules, and the notice convening the GM. Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, it is expected that the circular will be despatched to the LSG Shareholders on or before Friday, 12 June 2026. If there is any delay in despatch of the circular by LSG beyond Friday, 12 June 2026, LSG will make further announcement(s) as appropriate in accordance with the requirements of the Listing Rules.

LSD

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

Pursuant to Rule 14.75(1) of the Listing Rules, as the Put Option is exercisable at the discretion of the Vendor, only the premium paid or payable for the Put Option will be taken into consideration for the purpose of calculating the applicable percentage ratios. As no premium is payable by the Vendor for the grant of the Put Option, the acquisition of the Put Option itself does not constitute a notifiable transaction for LSD. LSD will comply with the relevant reporting, announcement, and/or shareholders' approval requirements under Chapter 14 of the Listing Rules as and when the Vendor exercises the Put Option.

Pursuant to Rule 14.74(1) of the Listing Rules, as the Call Option is not exercisable at the discretion of the Vendor or LSD, on the grant of the Call Option, the transaction will be classified as the Call Option had been exercised. As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the grant of the Call Option, when aggregated with the Disposal, exceeds 25% but all of them are less than 75%, the grant of the Call Option, when aggregated with the Disposal, constitutes a major transaction for LSD under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

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

LSD has obtained written shareholders' approval in accordance with Rule 14.44 of the Listing Rules from LSG, Joy Mind Limited and Zimba International Limited (both of which are wholly-owned subsidiaries of LSG) and together constitute a closely allied group of LSD Shareholders holding more than 50% of the voting rights of LSD (as at the date of this joint announcement, (i) LSG holds 161,045,824 LSD Shares (representing approximately 11.08% of the total issued LSD Shares); and (ii) LSG, through Joy Mind Limited and Zimba International Limited, holds 144,568,511 LSD Shares (representing approximately 9.95% of the total issued LSD Shares) and 502,469,961 LSD Shares (representing approximately 34.57% of the total issued LSD Shares), respectively). Accordingly, LSD is exempted from convening a general meeting to approve the Transactions and the transactions contemplated under the Transaction Documents as permitted under Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41(a) of the Listing Rules, LSD is required to despatch to the LSD Shareholders a circular for information purposes only in relation to the Transactions and other information required to be included therein under the Listing Rules within fifteen (15) business days after the publication of this joint announcement. Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, LSD expects that the circular will be despatched on or before Friday, 12 June 2026. If additional time is needed for LSD to prepare and finalise information for inclusion in the circular, LSD will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and make a further announcement regarding any delay in despatch of the circular in due course.

Completion of the Transactions is subject to fulfilment of various conditions precedent as set out under the section headed "The Agreement – Conditions" in this joint announcement. Accordingly, the Transactions may or may not proceed. The LSG Shareholders and the LSD Shareholders and potential investors of LSG and LSD are therefore advised to exercise caution when dealing in the securities of LSG and LSD.

INTRODUCTION

On 28 May 2026 (after trading hours), the Vendor, a direct wholly-owned subsidiary of LSD and an indirect non-wholly-owned subsidiary of LSG (through LSG's shareholding in LSD), and LSD entered into the Agreement with the Purchaser and the Purchaser's Guarantor, pursuant to which the Vendor Group has conditionally agreed to sell the Sale Shares; and the Purchaser has conditionally agreed to purchase the Sale Shares at the Consideration subject to adjustment.

The total consideration of €49,135,000 offered by the Purchaser is based on a valuation of €50,000,000 for 100% of the Target. Based on the Management Pre-Closing FY2025 EBITDA, this implies a multiple of approximately 12x. The transaction involves (i) an initial sale of an 80% interest in the Target, and (ii) the grant of a Put Option to the Vendor and a Call Option to the Purchaser under the Shareholders Agreement in respect of the remaining interest in the Target.

The Consideration for the Disposal is €40,000,000 (being 80% of the total valuation of the Target) subject to adjustment. Such Disposal is effected through the transfer of Sale Shares constituting 81.4% of the total issued Shares, which in turn owns 98.27% of the Target.

THE AGREEMENT

The principal terms of the Agreement are summarised below:

Date: 28 May 2026 (after trading hours)

Parties:

(a) LSD;

(b) Action Charm Limited, as the Vendor;

(c) Wave Expandary Limited, as the Purchaser; and

(d) Sea Expandary Limited, as the Purchaser's Guarantor.

(together, the "**Parties**")

Assets to be disposed of: The Vendor Group has conditionally agreed to sell the Sale Shares; and the Purchaser has conditionally agreed to purchase the Sale Shares subject to and on the terms and conditions in the Agreement.

Consideration: €40,000,000 or the US$ equivalent thereof (equivalent to approximately HK$368 million) subject to adjustment, of which:

- €32,000,000 (i.e. 80%) shall be payable upon Completion; and
- the remaining Consideration (after adjustments) shall be payable within fifteen (15) business days of the Adjustment Completion Date.

Basis of determining the Consideration:	The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser following a disposal process conducted by a professional adviser engaged by and on behalf of the Vendor Group in relation to the Disposal, following which the Vendor Group received an offer from the Purchaser, which was the highest received and with reference to a valuation of the Target of €50,000,000 which implies an approximate 12x multiple of the Management Pre-Closing FY2025 EBITDA, and taking into account of the Vendor Group's indirect equity interest in the Target held through its subsidiaries and the proportion of such interest being disposed of under the Disposal.
Adjustment:	In the event that the Adjusted Audited FY2025 EBITDA is lower than €3,990,000, the Consideration shall be reduced by the amount calculated as follows: *80% multiplied by 12 multiplied by the difference between (i) the Management Pre-Closing FY2025 EBITDA and (ii) the Adjusted Audited FY2025 EBITDA (the "**Adjustment to the Consideration**")* provided that the Adjustment to the Consideration will, in no case, be higher than €8,000,000. In addition to the Adjustment to the Consideration, the Consideration shall be subject to adjustments based on, among other things, the Target Group's client cash balance, net financial position (being cash and cash equivalents less financial debt) and net working capital at Completion. Any such adjustments will result in an upward or downward revision of the final Consideration as applicable. The Adjustment to the Consideration and other adjustments to the Consideration shall be calculated based on the Completion Audit Report.
Guarantee:	The Purchaser's Guarantor guarantees to the Vendor Group the performance of the Purchaser's obligations in accordance with the Agreement (including the payment of the Consideration) and the Transaction Documents.

Conditions: Completion is conditional upon satisfaction of all the following conditions on or before the Long Stop Date:

(a) the passing of the resolution(s) at a general meeting to be convened by the shareholders of each of LSD or LSG, or written approval in lieu of holding a general meeting, in accordance with the Listing Rules to approve the Transactions and the transactions as contemplated under the Transaction Documents;

(b) the Shareholders Agreement and other Transaction Documents having been duly executed and delivered by the Parties to it;

(c) all consents, approvals, permits, authorisations or clearances (as the case may be) required under applicable laws, regulations or rules or required from any Government Authority or other person (including clients but excluding banks) for the execution, implementation and completion of the Agreement which are material or would otherwise have any material adverse effect on the transactions contemplated under the Agreement or on the business of the Target Group shall have been obtained by the Target Company, the Vendor Group, the Purchaser and the Purchaser's Guarantor, and shall not have been revoked or withdrawn; and no order or decision shall have been issued or made by any Government Authority to render the transactions contemplated under the Transaction Documents invalid, unenforceable or illegal, or to restrict or prohibit the transactions contemplated under the Transaction Documents, or to impose any additional substantial conditions or obligations on the transactions contemplated under the Transaction Documents;

(d) the warranties given by the Vendor Group in the Agreement remaining true, correct and complete in all material respects as of the Completion Date, subject to changes contemplated by the Agreement;

(e) the Vendor Group shall have performed and complied with, in all material respects, all covenants, obligations and conditions contained in the Transaction Documents that are required to be performed or complied with by the Vendor Group on or before the Completion;

(f) no action, suit, proceeding, claim, arbitration or investigation shall have been threatened or instituted against any signing party in the Agreement seeking to enjoin, challenge the validity of, or assert any liability against any of them on account of, any transactions contemplated by the Transaction Documents;

(g) there shall have been no material adverse effect on the business, operations, assets, financial condition, or prospects of the Target Group since 31 December 2025 and no change or revision to the current applicable laws that would result in such material adverse effect; and

(h) the Purchaser's management, board of directors or other authorising body, where applicable, shall have approved (and not unreasonably withheld) the Purchaser's consummation of the transactions contemplated under the Transaction Documents.

Completion: The Parties shall use their respective reasonable endeavours to procure the fulfilment of the Conditions (to the extent applicable) as soon as practicable after signing and in any event before 30 September 2026. Completion shall take place within ten (10) business days after the last of the Conditions have been fulfilled or waived (if waivable).

THE SHAREHOLDERS AGREEMENT

On 28 May 2026 (after trading hours), the Purchaser, the Vendor and the Target Company entered into the Shareholders Agreement, which provides (among others) for the grant of (i) the Put Option to the Vendor, the exercise of which is entirely at the discretion of the Vendor; and (ii) the Call Option to the Purchaser, the exercise of which is not at the discretion of the Vendor or LSD.

The consideration payable for the Put Option and the Call Option will be calculated on a per-share basis equal to the Consideration paid by the Purchaser to the Vendor under the Agreement. Accordingly, the consideration for each of the Put Option and the Call Option is estimated to be €9,135,000 (representing approximately 18.27% of the total valuation of the Target). Such consideration is to be effected through the transfer of Sale Shares constituting 18.6% of the total issued Shares, which in turn owns 98.27% of the Target.

The Shareholders Agreement shall become effective upon Completion and will not be in force if Completion does not take place.

Board Composition

The board of directors of the Target Company shall consist of five (5) directors. The Purchaser is entitled to nominate four (4) directors, and the Vendor is entitled to nominate one (1) director.

Reserved Matters

There are reserved matters set forth in the Shareholders Agreement requiring the prior approval of at least one (1) director nominated by the Vendor.

Right of First Refusal

If any shareholder of the Target Company proposes to transfer any of its shares in the Target Company to a third party (who is not a permitted transferee as defined in the Shareholders Agreement) pursuant to a bona fide arm's length all-cash offer, the other shareholder(s) to the Target Company shall have the first right to acquire all, but not less than all, of such shares at the same price and on the same terms and conditions within a 60-day acceptance period.

Tag-along Right

If a shareholder of the Target Company proposes to transfer its shares to a bona fide third-party purchaser and the right of first refusal is not exercised (or does not apply), the other shareholder(s) of the Target Company shall have the right to participate in the sale. The transferring shareholder must procure an offer allowing the other shareholder(s) to sell a pro-rata portion of their shares to the purchaser at the exact same price, wholly payable in cash, and on the same terms and conditions.

Put Option

For as long as the Vendor holds any shares in the Target Company, it shall have the right (but not the obligation), subject to certain provisions in the Shareholders Agreement, to require the Purchaser to purchase all (but not part only) of its shares in the Target Company and the Target. The consideration for the Put Option will be calculated on a per-share basis equal to the Consideration paid by the Purchaser to the Vendor under the Agreement (including any Adjustment to the Consideration, as defined in the Agreement) subject to any appropriate adjustments arising from any share splits, subdivisions, consolidations, reclassification, share dividends or recapitalisation of the Target Company.

The Put Option may be exercised by the Vendor on or after 31 December 2027 and provided that the Vendor has not breached any of the Transaction Documents which has resulted in a material adverse effect on the Target Group which cannot be compensated by monetary compensation or damages or the Vendor has not fraudulently breached any of its obligations under any Transaction Documents.

Call Option

For as long as the Purchaser holds any shares in the Target Company, it shall have the right (but not the obligation), subject to certain provisions in the Shareholders Agreement and exercisable by notice in writing to the Vendor and the Target Company to require the Vendor to sell all (but not part only) of its shares in the Target Company and the Target. The consideration for the Call Option will be calculated on a per-share basis equal to the Consideration paid by the Purchaser to the Vendor under the Agreement (including any Adjustment to the Consideration, as defined in the Agreement) subject to any appropriate adjustments arising from any share splits, subdivisions, consolidations, reclassification, share dividends or recapitalisation of the Target Company.

The Call Option may be exercised by the Purchaser on or after 31 December 2027.

INFORMATION OF THE TARGET COMPANY, SUBSIDIARY A AND THE TARGET

Information of the Target Company

The Target Company is a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of the Vendor. The Target Company is principally engaged in investment holding.

Financial Information of the Target Group

Set out below is a summary of the unaudited consolidated financial information of the Target Group for the two years ended 31 July 2024 and 2025:

	For the year ended 31 July 2025 (unaudited) *HK$'000*	**For the year ended 31 July 2024** (unaudited) *HK$'000*
Revenue	270,664	240,861
Profit before taxation	20,209	19,587
Profit after taxation	13,060	12,957

The unaudited consolidated net asset value of the Target Group as at 31 January 2026, before deduction of shareholder's loan of approximately HK$269 million, amounted to approximately HK$349 million.

Information of Subsidiary A

Subsidiary A is a company incorporated in Hong Kong with limited liability, which is a direct wholly-owned subsidiary of the Target Company. Subsidiary A is principally engaged in investment holding.

Information of the Target

The Target is a société anonyme incorporated in Luxembourg, which is a direct 98.27% subsidiary of Subsidiary A and an indirect subsidiary of the Target Company. The Target is principally engaged in the provision of yacht and charter brokerage, yacht management, charter management, new build and design management, insurance solutions, corporate services and crew placement of international superyachts.

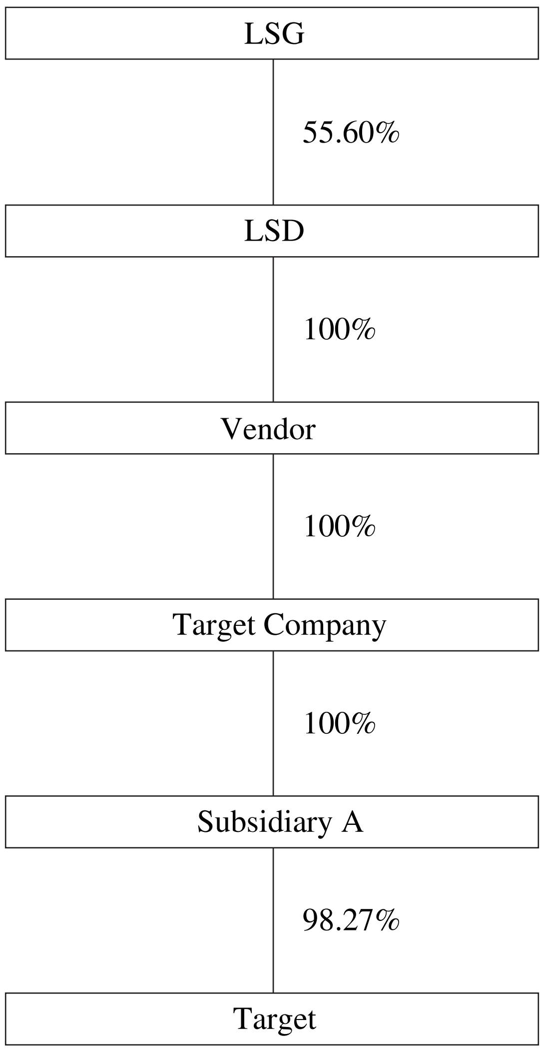
INFORMATION OF LSG, LSD AND THE VENDOR

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

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

The Vendor is a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of LSD and an indirect non-wholly-owned subsidiary of LSG (through LSG's shareholding in LSD). The Vendor is principally engaged in investment holding.

The following is a simplified structure chart summarising the shareholding relationship among LSG, LSD, Vendor, Target Company, Subsidiary A and Target:



INFORMATION OF THE PURCHASER AND THE PURCHASER'S GUARANTOR

The Purchaser is a company incorporated in the British Virgin Islands with limited liability. Based on the information provided by the Purchaser, the Purchaser is principally engaged in investment holding. As at the date of this joint announcement, the Purchaser is wholly-owned by the Purchaser's Guarantor, which is in turn wholly-owned by Ocean Expandary Limited, a limited company incorporated in the British Virgin Islands. Ocean Expandary Limited is wholly-owned by Sea Expandary Holding Limited, a limited company incorporated in the British Virgin Islands. Sea Expandary Holding Limited is ultimately owned by Cantrust (Far East) Limited, which holds such interest as the trustee of a trust (the "**Trust**"). The beneficiaries of the Trust are independent third parties to each of LSD and LSG, and its connected persons.

The Purchaser's Guarantor is a company incorporated in the Cayman Islands with limited liability and is the holding company of the Purchaser. Based on the information provided by the Purchaser, the Purchaser's Guarantor is principally engaged in investment holding. As at the date of this joint announcement, the Purchaser's Guarantor is wholly-owned by Ocean Expandary Limited, a limited company incorporated in the British Virgin Islands. Ocean Expandary Limited is wholly-owned by Sea Expandary Holding Limited, a limited company incorporated in the British Virgin Islands. Sea Expandary Holding Limited is ultimately owned by the Trust. The beneficiaries of the Trust are independent third parties to each of LSD and LSG, and its connected persons.

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

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

FINANCIAL EFFECTS OF THE TRANSACTIONS

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

As at 31 January 2026, the unaudited net asset value of the Target Group, before deduction of shareholder's loan, in respect of LSG Group was approximately HK$349 million. Based on the total consideration of €49,135,000 (equivalent to approximately HK$452 million), LSG Group is expected to recognise an estimated gain (after deducting transaction costs) of approximately HK$91 million from the transactions.

As at 31 January 2026, the unaudited net asset value of the Target Group, before deduction of shareholder's loan, in respect of LSD Group was approximately HK$349 million. Based on the total consideration of €49,135,000 (equivalent to approximately HK$452 million), LSD Group is expected to recognise an estimated gain (after deducting transaction costs) of approximately HK$92 million from the transactions.

The estimated gain on the transactions is arrived at by comparing the total consideration with the unaudited net asset value of the Target Group as at 31 January 2026, after deducting transaction costs. The definitive amount of any gain or loss shall be adjusted taking into account the total consideration as adjusted, and subject to audit to be performed by the independent auditors of LSG and LSD respectively, which is expected to be recorded in the financial statements of each of LSG and LSD for the financial year ending 31 July 2026.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

Each of LSG and LSD undertakes strategic reviews of their assets and business portfolio from time to time with a view to streamlining its operations and maximising returns to their respective shareholders.

The LSG Directors and LSD Directors consider that the offer from the Purchaser and the total consideration that will be received for the Disposal is attractive and implies an approximate 12x multiple of the Management Pre-Closing FY2025 EBITDA, and in line with other publicly traded comparable companies based on the research of the Vendor Group.

The Disposal will allow the LSD Group to streamline its business focus and reallocate management attention. It will also strengthen the liquidity position and cash flow of the LSD Group. The net proceeds from the Disposal will enhance the LSD Group's overall financial flexibility and will be applied towards the general working capital needs and/or repayment of existing indebtedness of LSD.

Further, the Put Option will allow the LSD Group to have the option to completely exit the LSD Group's investment in the Target Group at a price based on the Consideration paid by the Purchaser on a per-share basis.

In view of the above, the LSG Directors and LSD Directors respectively consider that the Transactions and the terms of the Transaction Documents are fair and reasonable and on normal commercial terms, and the Transactions are in the interests of LSG and LSD (as the case may be) and their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

LSG

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

Pursuant to Rule 14.75(1) of the Listing Rules, as the Put Option is exercisable at the discretion of the Vendor, only the premium paid or payable for the Put Option will be taken into consideration for the purpose of calculating the applicable percentage ratios. As no premium is payable by the Vendor for the grant of the Put Option, the acquisition of the Put Option itself does not constitute a notifiable transaction for LSG. LSG will comply with the relevant reporting, announcement, and/or shareholders' approval requirements under Chapter 14 of the Listing Rules as and when the Vendor exercises the Put Option.

Pursuant to Rule 14.74(1) of the Listing Rules, as the Call Option is not exercisable at the discretion of the Vendor or LSD, on the grant of the Call Option, the transaction will be classified as the Call Option had been exercised. As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the grant of the Call Option, when aggregated with the Disposal, exceeds 25% but all of them are less than 75%, the grant of the Call Option, when aggregated with the Disposal, constitutes a major transaction for LSG under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

The Transactions will be subject to the approval by LSG Shareholders at the GM by way of poll. The GM will be held by LSG for the LSG Shareholders to consider, and if thought fit, pass the resolution(s) to approve the Transactions and the transactions contemplated under the Transaction Documents.

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

LSG proposes to hold the General Meeting on Monday, 29 June 2026. The record date for determining the LSG Shareholders' entitlement to attend, speak and vote at the General Meeting is Tuesday, 23 June 2026. To ascertain the entitlement to attend, speak and vote at the General Meeting, LSG Shareholders must lodge the relevant transfer document(s) and share certificate(s) at the office of LSG's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Tuesday, 23 June 2026 for registration.

LSG will despatch its circular to the LSG Shareholders containing, among other things, further details of the Transactions and other information as required under the Listing Rules, and the notice convening the GM. Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, it is expected that the circular will be despatched to the LSG Shareholders on or before Friday, 12 June 2026. If there is any delay in despatch of the circular by LSG beyond Friday, 12 June 2026, LSG will make further announcement(s) as appropriate in accordance with the requirements of the Listing Rules.

LSD

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

Pursuant to Rule 14.75(1) of the Listing Rules, as the Put Option is exercisable at the discretion of the Vendor, only the premium paid or payable for the Put Option will be taken into consideration for the purpose of calculating the applicable percentage ratios. As no premium is payable by the Vendor for the grant of the Put Option, the acquisition of the Put Option itself does not constitute a notifiable transaction for LSD. LSD will comply with the relevant reporting, announcement, and/or shareholders' approval requirements under Chapter 14 of the Listing Rules as and when the Vendor exercises the Put Option.

Pursuant to Rule 14.74(1) of the Listing Rules, as the Call Option is not exercisable at the discretion of the Vendor or LSD, on the grant of the Call Option, the transaction will be classified as the Call Option had been exercised. As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the grant of the Call Option, when aggregated with the Disposal, exceeds 25% but all of them are less than 75%, the grant of the Call Option, when aggregated with the Disposal, constitutes a major transaction for LSD under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

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

LSD has obtained written shareholders' approval in accordance with Rule 14.44 of the Listing Rules from LSG, Joy Mind Limited and Zimba International Limited (both of which are wholly-owned subsidiaries of LSG) and together constitute a closely allied group of LSD Shareholders holding more than 50% of the voting rights of LSD (as at the date of this joint announcement, (i) LSG holds 161,045,824 LSD Shares (representing approximately 11.08% of the total issued LSD Shares); and (ii) LSG, through Joy Mind Limited and Zimba International Limited, holds 144,568,511 LSD Shares (representing approximately 9.95% of the total issued LSD Shares) and 502,469,961 LSD Shares (representing approximately 34.57% of the total issued LSD Shares), respectively). Accordingly, LSD is exempted from convening a general meeting to approve the Transactions and the transactions contemplated under the Transaction Documents as permitted under Rule 14.44 of the Listing Rules.

Pursuant to Rule 14.41(a) of the Listing Rules, LSD is required to despatch to the LSD Shareholders a circular for information purposes only in relation to the Transactions and other information required to be included therein under the Listing Rules within fifteen (15) business days after the publication of this joint announcement. Taking into account the time anticipated for preparing the necessary information for inclusion in the circular, LSD expects that the circular will be despatched on or before Friday, 12 June 2026. If additional time is needed for LSD to prepare and finalise information for inclusion in the circular, LSD will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and make a further announcement regarding any delay in despatch of the circular in due course.

Completion of the Transactions is subject to fulfilment of various conditions precedent as set out under the section headed "The Agreement – Conditions" in this joint announcement. Accordingly, the Transactions may or may not proceed. The LSG Shareholders and the LSD Shareholders and potential investors of LSG and LSD are therefore advised to exercise caution when dealing in the securities of LSG and LSD.

DEFINITIONS

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

"Adjusted Audited FY2025 EBITDA"	the Audited FY2025 EBITDA as adjusted to exclude certain legal fees incurred from a legal case and transaction correlated costs;
"Adjustment Completion Date"	within thirty (30) business days after the Completion Audit Report is delivered to the Vendor Group and the Purchaser (or such longer period as may be agreed upon by the Parties in writing);
"Agreement"	the agreement of sale and purchase in relation to the Sale Shares dated 28 May 2026 entered into among LSD, the Vendor, the Purchaser and the Purchaser's Guarantor;
"associate(s)"	has the meaning ascribed to it under the Listing Rules;
"Audited FY2025 EBITDA"	the audited consolidated EBITDA of the Target and its subsidiaries, as well as proportional interests in joint ventures for FY2025;
"business day(s)"	has the meaning ascribed to it under the Listing Rules;
"Call Option"	the right (but not the obligation) granted to the Purchaser under the Shareholders Agreement, exercisable subject to certain provisions in the Shareholders Agreement, for as long as it holds any shares in the Target Company, to require the Vendor to sell all (but not part only) of the shares in the Target Company and the Target held by the Vendor in accordance with the terms as set out in the Shareholders Agreement;
"Completion"	the completion of the sale and purchase of the Sale Shares on the Completion Date pursuant to the Agreement;
"Completion Audit Report"	the completion audit report to be prepared by an auditor jointly engaged by the Parties for the purpose of calculating the adjustments to the Consideration;
"Completion Date"	the date of Completion pursuant to the Agreement;
"connected person(s)"	has the meaning ascribed to it under the Listing Rules;

"Consideration"	€40,000,000 (equivalent to approximately HK$368 million) subject to adjustments pursuant to the Agreement;
"Disposal"	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the terms and conditions of the Agreement;
"EBITDA"	the earnings before interest, tax, depreciation and amortisation;
"FY2025"	the financial year ended 31 December 2025;
"GM" or "General Meeting"	the general meeting of LSG to be convened and held for considering, and, if thought fit, approving the Transactions and the transactions contemplated under the Transaction Documents;
"Government Authority"	any ministry, department or agency of any government (whether supranational, national, provincial or local) or any body exercising similar functions;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time);
"Long Stop Date"	30 September 2026 or any such other date as the Vendor and the Purchaser agree in writing;
"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 Directors"	the directors of LSD;
"LSD Group"	LSD and its subsidiaries;
"LSD Shareholders"	the holders of LSD Shares;
"LSD Shares"	the ordinary shares in the issued share capital of LSD;
"LSG"	Lai Sun Garment (International) Limited (麗新製衣國際有限公司), a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 191), the ultimate holding company of LSD;

"LSG Directors"	the directors of LSG;
"LSG Group"	LSG and its subsidiaries (including, for the avoidance of doubt, the LSD Group);
"LSG Shareholders"	the holders of the ordinary shares in the issued share capital of LSG;
"Management Pre-Closing FY2025 EBITDA"	€4,112,872, thus the latest available estimate of the Target and its subsidiaries, as well as proportional interests in joint ventures consolidated EBITDA, in line with the perimeter specified in the definition of Audited FY2025 EBITDA in the Agreement, indicated by the management prior to the Completion Audit Report;
"percentage ratio(s)"	has the meaning ascribed to it under the Listing Rules;
"Purchaser"	Wave Expandary Limited, a company incorporated in the British Virgin Islands with limited liability;
"Purchaser's Guarantor"	Sea Expandary Limited, a company incorporated in the Cayman Islands with limited liability;
"Put Option"	the right (but not the obligation) granted to the Vendor under the Shareholders Agreement, exercisable subject to certain provisions in the Shareholders Agreement, for as long as it holds any shares in the Target Company, to require the Purchaser to purchase all (but not part only) of the shares in the Target Company and the Target held by the Vendor in accordance with the terms as set out in the Shareholders Agreement;
"Sale Shares"	814 Shares (representing 81.4% of the total issued Shares as at the date of this joint announcement) to be disposed of by the Vendor to the Purchaser pursuant to the Agreement;
"Shareholders Agreement"	the shareholders agreement entered into among the Purchaser, the Vendor and the Target Company on 28 May 2026, effective upon Completion and will not be in force if Completion does not take place, to define and regulate the respective rights and obligations in respect of the Target Company;
"Shares"	the ordinary shares in the share capital of the Target Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subsidiary A"	Vicper Holdings Limited (威霸集團有限公司), a company incorporated in Hong Kong with limited liability, which is a direct wholly-owned subsidiary of the Target Company;
"Target"	Camper & Nicholsons International S.A., a société anonyme incorporated in Luxembourg, which is a direct 98.27% subsidiary of Subsidiary A and an indirect subsidiary of the Target Company;

"Target Company"	Ample Beyond Limited, a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of the Vendor;
"Target Group"	the Target Company, Subsidiary A and its direct and indirect subsidiaries which includes the Target;
"Transaction Documents"	the Agreement, Shareholders Agreement and any other documents referred to therein;
"Transactions"	the Disposal and the grant of the Call Option;
"Vendor"	Action Charm Limited, a company incorporated in the British Virgin Islands with limited liability, which is a direct wholly-owned subsidiary of LSD and an indirect non-wholly-owned subsidiary of LSG (through LSG's shareholding in LSD);
"Vendor Group"	LSD together with the Vendor;
"€"	Euro, the lawful currency of the Eurozone;
"US$"	United States dollars, the lawful currency of the United States of America; and
"%"	per cent.

In this joint announcement, € has been converted to HK$ at the rate of €1 = HK$9.2, unless otherwise stated, for illustration purposes only. No representation is made that any amounts in € or HK$ have been, could have been or could be converted at the above rate or at any other rates at all.

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

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

Hong Kong, 28 May 2026

As at the date of this joint announcement,

(a) the board of LSG comprises six executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Yang Yiu Chong, Ronald Jeffrey, Mr. Cheung Sum, Sam, Madam U Po Chu, Mr. Lam Kin Hong, Matthew and Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu); and four independent non-executive directors, namely Messrs. Leung Shu Yin, William, Lam Bing Kwan, Chow Bing Chiu and Ng Chi Ho, Dennis; and

(b) the board of LSD comprises four executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Cheung Sum, Sam, Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu) and Mr. Lee Tze Yan, Ernest; one non-executive director, namely Madam U Po Chu; and four independent non-executive directors, namely Messrs. Lam Bing Kwan, Leung Shu Yin, William, Ip Shu Kwan, Stephen and Luk Hon Man.