

Dated 12 August 2021

Execution Version

LAI SUN DEVELOPMENT COMPANY LIMITED

as the Issuer

and

JINLONG ROAD LIMITED

as the Subscriber

and

ARGYLE STREET MANAGEMENT LIMITED

as the Manager

SUBSCRIPTION AGREEMENT
relating to the subscription for
shares of
LAI SUN DEVELOPMENT COMPANY LIMITED

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THIS AGREEMENT is made this 12th day of August 2021

AMONG:

- (1) **LAI SUN DEVELOPMENT COMPANY LIMITED**, a company incorporated in Hong Kong whose registered office is at 11th Floor Lai Sun Commercial Centre 680 Cheung Sha Wan Road Kowloon, Hong Kong (the "**Company**");
- (2) **JINLONG ROAD LIMITED**, a company incorporated in the Cayman Islands (Company Number: OI-359436) and whose registered address is at Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands, (the "**Subscriber**"); and
- (3) **ARGYLE STREET MANAGEMENT LIMITED**, a company incorporated in the British Virgin Islands and a registered non-Hong Kong company (CR no.: F0011862), whose registered address is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the "**Manager**"),

each a "**Party**" and together, the "**Parties**".

WHEREAS:

- (A) The Company is incorporated with limited liability in Hong Kong, the Shares of which are listed on the Stock Exchange with the stock code: 488.
- (B) The Subscriber is a special purpose vehicle owned by funds under the discretionary management of the Manager.
- (C) The Company intends to allot and issue and the Subscriber intends to subscribe for the Subscription Shares, subject to the terms and conditions of this Agreement.
- (D) The Subscription Shares to be allotted and issued to the Subscriber pursuant to the terms hereof will be so allotted and issued by the directors of the Company exercising the general mandate granted to them by the shareholders of the Company at the annual meeting of the Company held on 18 December 2020.

IT IS HEREBY AGREED:

1. INTERPRETATION

- 1.1. In this Agreement, including the recitals and schedules hereto, unless the context otherwise requires:

"**Affiliates**" means with respect to a person, any of such other persons described as follows:

- (a) if such person is an individual:
 - (i) any other person that is directly or indirectly Controlled by such person; and

- (ii) such person's parents, spouse, children, siblings and any other person(s) cohabiting as a spouse of such person; and
- (b) if such person is an entity, any other person that directly or indirectly Controls, is Controlled by or is under common Control with such person

"Announcement" means the announcement to be made by the Company as set out in Clause 7;

"Articles" means the articles of association for the time being of the Company;

"Business Day" means a day (other than Saturday or Sunday or a day when typhoon no. 8 or black rainstorm warning is hoisted) on which banks are open for business in Hong Kong;

"CCASS" means the Central Clearing and Settlement System operated by the Hong Kong Securities Clearing Company Limited;

"Company Disclosure" has the meaning given to it in Clause 6.1(f);

"Completion" means a date being not later than the date which is 6 calendar days following the date of this Agreement (or such later date as may be agreed amongst the parties hereto) on which completion of the Subscription will take place;

"Completion Date" means the date on which Completion takes place;

"Completion Payment" means the amount of HK\$235,152,555 payable by the Subscriber to the Company at Completion representing part of the Subscription Consideration;

"Conditions" means the conditions precedent to Completion as set out in Clause 4.1;

"Control" means, with respect to any person, directly or indirectly:

- (a) the ability to direct the business and affairs of that person;
- (b) the ability to appoint a majority of the members of the board of directors or similar governing or management body or bodies of that person (if a body corporate); or
- (c) the holding of the voting rights and/or the ability to direct the voting rights of more than fifty per cent. (50%) of all the voting rights exercisable at general meetings of shareholders of that person (if a body corporate),

in each case whether by contract or otherwise and **"Controls"**, **"Controlling"** and **"Controlled"** shall be construed accordingly;

"Encumbrance" means any charge, mortgage, lien, hypothecation, judgment, encumbrance, easement, right of pre-emption, security, fiduciary transfers, fiduciary assignments, title retention, preferential right, preferential arrangements, trust arrangement or any other security interest or any other agreement or arrangement having a commercial effect analogous to the conferring of security or a similar right

in favour of any person under applicable law or equity or contracts, and for the avoidance of doubt shall include the creation and/or the agreement to create any Encumbrances whatsoever;

"**Group**" means the Company and its subsidiaries;

"**HK\$**" means Hong Kong dollars, the lawful currency of Hong Kong;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China

"**Listing Approval**" shall have the meaning given to it in Clause 4.1(a);

"**Listing Rules**" means the Rules Governing the Listing of Securities on the Stock Exchange;

"**Promissory Note**" means the promissory note in the form set out in Schedule 1 to be executed and delivered by the Subscriber at Completion in satisfaction of the balance of the Subscription Consideration;

"**SFC**" means the Securities and Futures Commission;

"**SFO**" means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the time being in force;

"**Shares**" means ordinary shares in the capital of the Company;

"**Stock Exchange**" means The Stock Exchange of Hong Kong Limited;

"**Subscription**" means the subscription for the Subscription Shares pursuant to Clause 2;

"**Subscription Consideration**" means the aggregate consideration payable by the Subscriber to the Company as set out in Clause 3.1 for the Subscription Shares at the Subscription Share Price;

"**Subscription Share(s)**" means 67,669,800 Shares representing approximately 9.95% of the total issued Shares after the issuance of the Subscription Shares and to be allotted and issued to the Subscriber by the Company under this Agreement;

"**Subscription Share Price**" means HK\$6.95 per Subscription Share; and

"**Takeovers Code**" means the Hong Kong Code on Takeovers and Mergers issued by the SFC.

- 1.2. In this Agreement references herein to "Clauses" and the "Schedule" are references to clauses of and the schedule to this Agreement.
- 1.3. In this Agreement the singular includes the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporate.
- 1.4. Headings are for convenience only and shall not affect the interpretation of this

Agreement.

- 1.5. Any references, express or implied, to statutes or statutory provisions shall be construed as references to those statutes or provisions as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date of this Agreement) and shall include any statutes or provisions of which they are re-enactments (whether with or without modification) and any orders, regulations, instruments or other subordinate legislation under the relevant statute or statutory provision.
- 1.6. References to:
 - (a) “**month**” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:
 - (i) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and
 - (ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
 - (b) the word “**including**” shall be deemed to be followed by “**without limitation**” or “**but not limited to**” whether or not they are followed by such phrases or words of like import.
- 1.7. References to “**writing**” or “**written**” shall include any methods of producing or reproducing words in a legible and non-transitory form.
- 1.8. In construing this Agreement, the rule known as the ejusdem generis rule shall not apply and, accordingly, general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things
- 1.9. This Agreement may not be construed adversely to a Party only because that Party was responsible for preparing it.
- 1.10. Where under this Agreement the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing shall be done on the immediately succeeding Business Day.

2. SUBSCRIPTION OF THE SUBSCRIPTION SHARES

- 2.1 Subject to the terms and conditions in this Agreement, the Company shall allot and issue, and the Subscriber shall subscribe, as principal, for the Subscription Shares at Completion, to be issued and credited as fully paid and free from all Encumbrances whatsoever and together with all rights attaching or accruing to them under the Articles.

- 2.2 Notwithstanding the Subscriber's obligations under the Promissory Note, once allotted and issued, the Subscription Shares shall rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company on or prior to the Completion Date including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.
- 2.3 This Agreement shall be deemed to be an irrevocable application for the Subscription Shares submitted by the Subscriber to the Company.

3. CONSIDERATION

- 3.1 The Subscription Consideration shall be satisfied by the Subscriber as follows:
- (a) the Completion Payment, which shall be paid by the Buyer by electronic transfer of immediately available funds to the Company on Completion; and
 - (b) the balance of the Subscription Consideration shall be paid by the issue of the Promissory Note by the Subscriber to the Company on Completion.

4. CONDITIONS

- 4.1 Completion of the Subscription is conditional upon the fulfilment of the following conditions:
- (a) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Subscription Shares (the "**Listing Approval**") and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares; and
 - (b) each Party obtaining approval from its board of directors and all other necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement.
- 4.2 The Company shall, as soon as is reasonably practicable, apply to the Stock Exchange for the granting of the Listing Approval after the signing of this Agreement and the Company shall promptly inform the Subscriber and the Manager following the receipt of the Listing Approval. The Company shall furnish such information, supply such documents, pay such fees and do all such acts and things as may reasonably be required by the Subscriber, the Manager, the Stock Exchange and/or the SFC in connection with the fulfilment of the Conditions.
- 4.3 Each Party shall use its reasonable endeavours to procure the fulfilment of the Conditions applicable to each of them as soon as is reasonably practicable. If the Conditions are not fulfilled within 5 calendar days after the date of this Agreement, or such later date as may be agreed among the Parties, the obligations and liabilities of the Subscriber, the Manager and the Company under the Subscription shall be null and void and neither the Company nor the Subscriber nor the Manager shall have any claim against the other for costs, damages, compensation or otherwise.

5. COMPLETION

- 5.1 Completion shall take place on the following Business Day after the date upon which the last of the Conditions to be satisfied shall have been so satisfied, provided that it shall take place on a date no later than 6 calendar days after the date of this Agreement, or at such other time and/or date as the Parties may agree in writing and in compliance with the Listing Rules.
- 5.2 On the Completion Date, the Subscriber shall:
- (a) pay or shall procure the payment of the Completion Payment to the Company in accordance with Clause 3.1(a);
 - (b) deliver to the Company a certified copy of the resolutions of the Subscriber's board of directors approving the Subscription, the creation and issue of the Promissory Note in accordance with this Agreement and the and the execution, delivery and performance of this Agreement and the Promissory Note; and
 - (c) issue the Promissory Note to the Company.
- 5.3 Against the fulfilment of the obligations of the Subscriber under Clause 5.2, the Company shall:
- (a) deliver to the Subscriber a certified copy of the resolutions of the Company's board of directors approving the Subscription, the allotment and issue of the Subscription Shares in accordance with this Agreement and the execution, delivery and performance of this Agreement;
 - (b) forthwith allot and issue to the Subscriber (or as it may direct) the Subscription Shares and shall promptly register without registration fee the Subscriber and/or its nominees as members in respect of the Subscription Shares; and
 - (c) at the option of the Subscriber, either: (i) deliver to the Subscriber (or as it may direct) the definitive certificates in respect of the Subscription Shares in favour of the Subscriber and/or its nominees; or (ii) deposit the certificates into the account of the relevant CCASS participant with whom the Subscriber has accounts in accordance with the Subscriber's instructions.
- 5.4 If Completion does not take place on the date set for Completion as provided in Clause 5.1 as a result of the Company failing to comply fully with any of its obligations under Clause 5.3 or the Subscriber failing to comply fully with any of its obligations under Clause 5.2; the non-defaulting Party(ies) may at its option by notice to the other Party(ies) elect to:
- (i) proceed to the Completion in so far as reasonably practicable;
 - (ii) postpone Completion to a date (being a Business Day) falling not more than 14 days after the date set for Completion in accordance with Clause 5.1; or

- (iii) terminate this Agreement, without prejudice to the rights accrued to the Parties prior to such termination (including without limitation any rights, claims or remedies a Party may have against the other Party for any breach or non-fulfilment of any obligations),

and if the non-defaulting Party(ies) elects to postpone Completion in accordance with (ii) above, then the provisions of this Agreement shall apply as if the date set for Completion in accordance with Clause 5.1 were the date to which Completion is so postponed.

6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

6.1 The Company represents and warrants to and undertakes with the Subscriber on the date of this Agreement and on the Completion Date as follows and which shall be true and accurate and not misleading in all material respects:

- (a) The Company has taken all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement. Without limitation to the generality of the aforesaid, the Company has obtained the requisite shareholders' approval by way of a general mandate for the allotment and issue of the Subscription Shares. This Agreement has been duly executed and delivered by the duly authorised representatives of the Company, and constitutes a legal, valid, binding agreement, enforceable against the Company in accordance with its terms.
- (b) The Company has been duly incorporated and is validly existing under the laws of its place of incorporation and has power to own its assets and to conduct its business in the manner presently conducted.
- (c) The execution, delivery and performance of this Agreement by the Company does not contravene:
 - (i) its constitutional documents;
 - (ii) any agreement, contract or undertaking to which it (or any of its Affiliates) is a party, or by which it (or any of its Affiliates) or any of its (or its Affiliates') assets is bound; or
 - (iii) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over it (including but not limited to the Listing Rules) or the Subscription Shares.

Without limitation to the generality of the aforesaid, the Company is not subject to any undertakings or obligations (whether regulatory, contractual or otherwise and whether given or undertaken during the course of, or in connection with, the application for listing of the Shares on Hong Kong Stock Exchange or otherwise) which prohibits or restricts the Company from entering into this Agreement, or otherwise prohibits or restricts any of the transactions contemplated hereunder.

- (d) All regulatory, judicial or other consents, approvals, authorisations, orders

and qualifications required to be obtained for the execution, delivery and performance of this Agreement by the Company have been obtained and are in full force and effect, except for the Listing Approval that will be obtained by the Company before completion of the Subscription.

- (e) Since 31 January 2021, there has not occurred any material adverse change, or any development reasonably likely to involve a material adverse change, in the condition, financial or otherwise, or in the earnings, assets, business, operations or prospects of the Company, or the Group taken as a whole.
- (f) (i) The Company has made public all information required to be made public by all applicable laws, rules and regulations including the Listing Rules and the SFO, (ii) the information released publicly in Hong Kong, or elsewhere by any member of the Group, including without limitation its latest annual report and interim report filed with the Stock Exchange on 18 November 2020 and 22 April 2021 respectively, in each case as amended or supplemented (together, the "**Company Disclosure**"), does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and does not otherwise omit any information which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group, (iii) except for the Announcement, no announcement or disclosure is anticipated to be made by the Company within 14 days after the date of this Agreement, (iv) the financial statements included in the Company Disclosure (a) present fairly the financial position of the Company and its consolidated subsidiaries as of the dates shown and the results of operations for the periods shown, (b) have been prepared on a recognised and consistent basis and in conformity with generally accepted accounting principles, standards and practice in Hong Kong and other relevant jurisdiction applied on a consistent basis, (c) comply with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and all other applicable ordinances, statutes and regulations and show a true and fair view of the state of affairs of the Group and of its results for the period in question, and (v) no member of the Group is in breach of any laws, rules and regulations or requirements of the Hong Kong Stock Exchange or the SFC (including the Listing Rules and the SFO).
- (g) All information (whether oral, written, electronic or in any other form) supplied by or on behalf of the Company, any other member of the Group or any of their respective officers, directors, employees or advisers, for the purpose of or in connection with the Subscription, is and was, when supplied, true and accurate and not misleading.
- (h) There is no claim, litigation, arbitration, prosecution or other legal proceedings or investigation or enquiry in progress or pending or threatened against the Company or any member of the Group, or any of their respective directors and officers nor is there any claim or any facts or circumstances of a material nature which would give rise to a claim against the Company, any member of the Group or any of their respective directors and officers, which in any such case would have or have had a material adverse effect on the condition, financial or otherwise, or in the earnings, net

assets, business, operations or prospects (whether or not arising in the ordinary course of business) of the Company or any member of the Group or which is material for disclosure in the context of the Subscription.

- (i) There is no order, decree or judgement of any court or governmental agency or regulatory body outstanding or, to the best knowledge of the Company, anticipated against the Company or any member of the Group which may have or has had a material adverse effect on the condition, financial or otherwise, or in the earnings, net assets, business, operations or prospects of the Company or the Group taken as a whole.
- (j) There has been no petition filed, order made or effective resolution passed for the liquidation or winding up of the Company or any other member of the Group.

6.2 Each of the Subscriber and the Manager represents and warrants to the Company on the date of this Agreement and on the Completion Date as follows and which shall be true and accurate and not misleading in all material respects:

- (a) it is a company duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and has power to own its assets and to conduct its business in the manner presently conducted.
- (b) it has the legal right and full power and authority to enter into and perform this Agreement, which when executed will constitute valid and binding obligations on it, in accordance with their respective terms.
- (c) The execution, delivery and performance of this Agreement has been duly authorised and approved by all necessary corporate action.
- (d) The execution, delivery and performance of this Agreement by the Subscriber and the Manager does not contravene:
 - (i) its constitutional documents;
 - (ii) any agreement, contract or undertaking to which it is a party, or by which its assets is bound; or
 - (iii) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over it.

Without limitation to the generality of the aforesaid, neither the Subscriber nor the Manager is subject to any undertakings or obligations (whether regulatory, contractual or otherwise) which prohibits or restricts the Company from entering into this Agreement, or otherwise prohibits or restricts any of the transactions contemplated hereunder.

- (e) No litigation, arbitration or administrative proceedings or other dispute is currently taking place, or pending or, so far as it is aware, threatened against or otherwise likely to involve it or any of its assets and properties which could reasonably be expected to:

- (i) result in the issuance of a decree restraining, enjoining or otherwise prohibiting or making illegal the performance by it of its obligations under this Agreement; or
 - (ii) have the effect of delaying, frustrating or preventing it from performing their obligations under this Agreement;
 - (f) So far as it is aware, it is not in default under any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or any of its assets.
 - (g) It is solvent and:
 - (i) no resolution has been proposed or passed, or other steps have been taken or are being taken, for its winding-up or for the appointment of a receiver, trustee, judicial manager, administrator, administrative receiver, compulsory manager or other similar officer of it or any of its assets and no such step is intended by it; and
 - (ii) so far as it is aware, no petition, application or the like is outstanding for its bankruptcy, winding-up or for the appointment of a receiver, trustee, judicial manager, administrator, compulsory manager or other similar officer of it or any of its assets, and events or omissions have occurred.
 - (h) All regulatory, judicial or other consents, approvals, authorisations, orders and qualifications required to be obtained for the execution, delivery and performance of this Agreement by the Subscriber and the Manager have been obtained and are in full force and effect.
- 6.3 The Company acknowledges that the Subscriber and the Manager is entering into this Agreement in reliance upon each of the representations, warranties and undertakings set out in Clause 6.1. The Subscriber and the Manager each acknowledge that the Company is entering into this Agreement in reliance upon each of the representations, warranties and undertakings set out in Clause 6.2. Each Party shall promptly notify the other Parties if at any time on or before the Completion Date any of the representations or warranties set out Clause 6.1 or Clause 6.2 (as the case may be) ceases to be true and accurate or has become misleading in any respect or in the event that any Party breaches any undertaking or fails to comply with any obligation under this Agreement in any respect.
- 6.4 The Company shall not, and shall procure that no member of the Group shall not, prior to or on the Completion Date do or omit to do anything which may cause any of the representations, warranties and undertakings given by the Company under this Agreement to be untrue in any material respect.
- 6.5 Each Party undertakes, except to the extent required by applicable law and save as permitted by this Agreement, not to disclose to any third party or publicly refer to the contents of this Agreement or the transactions contemplated by it before the Completion Date without the prior written consent of the other Parties, except that each Party may disclose such information to its advisers as necessary in connection with the Subscription.

- 6.6 Each Party shall comply with all applicable laws, rules and regulations (including but not limited to the Listing Rules, the Takeovers Code and the SFO) and all applicable requirements of the Stock Exchange, the SFC and any other applicable regulatory body (including all applicable filing, announcement and notice requirements) in connection with the transactions contemplated by this Agreement.
- 6.7 The Company shall promptly provide the Subscriber and the Manager upon request, with all such information known to it or which on reasonable enquiry ought to be known to it relating to the Company and/or any other member of the Group or otherwise as may be required by the Subscriber or the Manager in connection with the transactions contemplated by this Agreement for the purpose of complying with any applicable laws, rules and regulations (including the establishment of any defence to any action under any of the same, whether relating to due diligence or otherwise) or any requirement of the Stock Exchange, the SFC or any other applicable regulatory body.
- 6.8 Without prejudice to the foregoing obligations, each Party undertakes with the other Parties that it shall do all such other acts and things as may be reasonably required to be done by it to carry into effect the transactions contemplated by this Agreement in accordance with the terms of this Agreement.

7. ANNOUNCEMENTS

The Company shall release or cause to be released for publication, as soon as possible upon the execution of this Agreement, an announcement in relation to the transactions contemplated by this Agreement and pursuant to the applicable requirements under the Listing Rules (the "**Announcement**"), provided that prior approval of the content and the release of the Announcement has been obtained from the Subscriber and the Manager (such approval not to be unreasonably withheld or delayed).

8. COSTS AND EXPENSES

Save as expressly provided herein, all expenses incurred by or on behalf of the Parties and their advisers including all fees of agents, representatives, solicitors, accountants, actuaries and other advisers employed by any of them, in connection with the negotiation, preparation or execution of this Agreement, shall be borne solely by the Party who incurred the liability.

9. MISCELLANEOUS

- 9.1 This Agreement shall be binding upon, and inure solely to the benefit of, each of the Parties and their respective heirs, executors, administrators, successors and assigns.

- 9.2 No person (being a natural person or legal entity), other than the Parties has, or may or will have, any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce, make or pursue any claim, or enjoy any benefit under any provisions of this Agreement. Application of the Contracts (Rights of Third Parties) Ordinance is hereby expressly excluded.
- 9.3 Time shall be of the essence of this Agreement.
- 9.4 In the event any provision of this Agreement is found to be or becomes invalid or unenforceable, no other provision of this Agreement shall thereby be affected and this Agreement shall remain valid and enforceable in respect of all remaining provisions, and any invalid or unenforceable provision will be deemed to be replaced by a provision which as nearly as possible accomplishes the commercial purpose of the original.
- 9.5 This Agreement constitutes the entire agreement among the Parties and supersedes all prior agreements and understandings (whether written or oral) among the Company, the Subscriber and the Manager with respect to the subject matter of this Agreement.
- 9.6 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.
- 9.7 No variation or waiver to this Agreement shall be effective unless it is in writing and signed by or on behalf of the Company, the Subscriber and the Manager.
- 9.8 Each Party shall execute such further documents and perform and procure such acts and things as may reasonably be required to give full effect to its obligations under this Agreement

10. NOTICES

- 10.1 Any notice or other communication under or in connection with this Agreement shall be in writing and shall be left at or sent by pre-paid registered post (if posted from and to an address in Hong Kong), pre-paid registered airmail (if posted from or to an address outside Hong Kong) or facsimile or email transmission to the Party due to receive the notice or communication at its respective address (including fax number or email) set out below or to such other address and / or number as may have been last specified by such Party by written notice to the other Party.

To the Company:

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

Attention: Company Secretary

Fax No.: (852) 2785 2775

To the Subscriber:

Address: Unit 601-2, 6th Floor, St. George's Building, 2 Ice House Street,
Central, Hong Kong

Attention: Mr. Douglas Lui/ Mr. Steven Wong/ Mr. Jason Wah

Email: douglas.lui@asmhk.com; steven.wong@asmhk.com;
jason.wah@asmhk.com

To the Manager:

Address: Unit 601-2, 6th Floor, St. George's Building, 2 Ice House Street,
Central, Hong Kong

Attention: Mr. Douglas Lui/ Mr. Steven Wong/ Mr. Jason Wah

Email: douglas.lui@asmhk.com; steven.wong@asmhk.com;
jason.wah@asmhk.com

10.2 In the absence of evidence of earlier receipt, a notice or other communication is deemed given:

- (a) if delivered personally, when left at the address referred to in Clause 10.1;
- (b) if sent by registered post except air mail, two (2) days after posting;
- (c) if sent by registered air mail, six (6) days after posting; and
- (d) if sent by facsimile or email, on completion of its transmission.

10.3 In proving the giving of a notice by mail, it shall be sufficient to prove that the envelope containing such notice was properly addressed and posted.

10.4 In proving service by facsimile or email, it shall be sufficient to produce an activity or other report from the sender's email account or fax machine in respect of the notice or other written communication showing the fax or email was sent to the recipient

11. GOVERNING LAW AND JURISDICTION

11.1 This Agreement (and any dispute, controversy or claim of whatever nature arising out of or in any way relating to this Agreement or its formation) shall be governed by and construed in accordance with the laws of Hong Kong.

11.2 If any dispute arises out of or in connection with this Agreement, or related thereto, whether directly or indirectly, the Parties shall use all reasonable efforts to amicably resolve the dispute through good faith negotiations and agree to provide, without prejudice, frank, candid and timely disclosure of all relevant facts, information and documents to facilitate such negotiations.

11.3 The Parties irrevocably agree that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation.

SCHEDULE 1
FORM OF PROMISSORY NOTE

PROMISSORY NOTE
(this "Note")

Amount: HK\$235,152,555.00

Dated: _____

FOR VALUE RECEIVED, **JINLONG ROAD LIMITED**, a company incorporated in the Cayman Islands (Company Number: OI-359436) and whose registered address is at Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands, (the "**Promisor**") unconditionally promises to pay to **LAI SUN DEVELOPMENT COMPANY LIMITED**, a company incorporated in Hong Kong whose registered office is at 11th Floor Lai Sun Commercial Centre 680 Cheung Sha Wan Road Kowloon, Hong Kong (the "**Payee**") the amount of HK\$235,152,555.00 (the "**Principal Amount**") on or before the date falling on the fifth anniversary of this Note (the "**Repayment Date**").

1. If the Repayment Date is not a day (other than Saturday or Sunday or a day when typhoon no. 8 or black rainstorm warning is hoisted) on which banks are open for business in Hong Kong ("**Business Day**"), then the Repayment Date shall be the Business Day immediately thereafter.
2. Interest shall not accrue on the Principal Amount and this Note.
3. All payments shall be made in cash by electronic transfer of immediately available funds to the Hong Kong bank account as previously notified by the Payee in writing to the Promisor.
4. On the Repayment Date, the Principal Amount shall become due and payable in full.
5. Notwithstanding Clause 4, the Promisor may, in its sole and absolute discretion and without premium or penalty, at any time without notice, prepay the outstanding amount of the Principal Amount in full or in part. Upon such prepayment, the outstanding Principal Amount repayable by the Promisor shall be reduced by the amount so prepaid.
6. This Note shall be governed by, and construed in accordance with, the laws of Hong Kong. The Promisor irrevocably agrees that the courts of Hong Kong shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this Note.

IN WITNESS whereof this Note has been executed as a deed and delivered on the day and year first above written

Executed and delivered as a Deed by)
JINLONG ROAD LIMITED acting)
by)
in the presence of)

.....
Witness signature

Execution Version

Name:
Address:
Occupation:

IN WITNESS whereof this Agreement has been entered into on the day and year first above written.

SIGNED BY CHEW FOOK AUN)

For and on behalf of)
LAI SUN DEVELOPMENT COMPANY)
LIMITED)
in the presence of:-)



CHEW Fook Aun




Wei Wei

SIGNED BY)
ARGYLE STREET MANAGEMENT LIMITED)
For and on behalf of)
JINLONG ROAD LIMITED)
in the presence of:-)

雷炳森 LUI PING SUM
P034832(9)

For and on behalf of
ARGYLE STREET MANAGEMENT LIMITED


.....
Authorized Signature(s)

SIGNED BY)
CHAN, KIN)
For and on behalf of)
ARGYLE STREET MANAGEMENT LIMITED)
in the presence of:-)

雷炳森 LUI PING SUM
P034832(9)



Execution Version

Dated 27 August 2021

LAI SUN DEVELOPMENT COMPANY LIMITED

and

JINLONG ROAD LIMITED

and

ARGYLE STREET MANAGEMENT LIMITED

DEED OF VARIATION
relating to the subscription for
shares of
LAI SUN DEVELOPMENT COMPANY LIMITED

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THIS DEED OF VARIATION (this “**Deed**”) is made this 27th day of August 2021

AMONG:

- (1) **LAI SUN DEVELOPMENT COMPANY LIMITED**, a company incorporated in Hong Kong whose registered office is at 11th Floor Lai Sun Commercial Centre 680 Cheung Sha Wan Road Kowloon, Hong Kong (the “**Company**”);
- (2) **JINLONG ROAD LIMITED**, a company incorporated in the Cayman Islands (Company Number: OI-359436) and whose registered address is at Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1–1205 Cayman Islands, (the “**Subscriber**”); and
- (3) **ARGYLE STREET MANAGEMENT LIMITED**, a company incorporated in the British Virgin Islands and a registered non-Hong Kong company (CR no.: F0011862), whose registered address is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Manager**”),

each a “**Party**” and together, the “**Parties**”.

WHEREAS:

- (A) The Parties entered into a subscription agreement dated 12 August 2021 for the subscription of 67,669,800 Shares by the Subscriber at the Subscription Share Price of HK\$6.95 per Share (the “**Subscription Agreement**”).
- (B) The Parties entered into the first extension letter and second extension letter dated 17 August 2021 and 19 August 2021 respectively to extend the Completion Date to 31 August 2021 (the “**Extension Letters**”).
- (C) The Parties have agreed to amend and vary the terms of the Subscription Agreement by way of this Deed.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

In this Deed:

- 1.1 words and expressions defined in the Subscription Agreement have the same meanings in this Deed except to the extent that they are expressly varied by this Deed; and
- 1.2 the provisions of the Subscription Agreement relating to its interpretation apply to this Deed except to the extent that they are expressly varied by this Deed.

2. AMENDMENT AND VARIATION OF TERMS

The Subscription Agreement is to be read and interpreted as if the amendments and variations to it in Schedule 1 of this Deed were set out in full in the Subscription Agreement.

3. EFFECTIVE DATE

The amendments and variations to the Subscription Agreement made by this Deed shall take effect from and including the date of this Deed.

4. CONTINUATION OF THE SUBSCRIPTION AGREEMENT

4.1 The terms of the Subscription Agreement will continue in full force and effect as amended and varied by this Deed.

4.2 This Deed does not release any Party from any breaches of the Subscription Agreement existing at the date of this Deed or affect any existing rights that have accrued under the Subscription Agreement prior to the date of this Deed.

5. GENERAL

Clause 8 (Costs and Expenses), clause 9 (Miscellaneous), clause 10 (Notices) and clause 11 (Governing Law and Jurisdiction) of the Subscription Agreement shall apply mutatis mutandis to the terms of this Deed provided that references to "This Agreement" shall be references to "This Deed", save that references in clause 9.5 of the Subscription Agreement to "This Agreement" shall be deemed to be a reference to the Subscription Agreement as supplemented by this Deed and the Extension Letters.

SCHEDULE 1

AGREED AMENDMENTS AND VARIATIONS

1. The definition of “Announcement” in Clause 1.1 of the Subscription Agreement is deleted and replaced with the following definition:

“Announcements” means the announcements to be made by the Company as set out in Clause 7;

2. The definition of “Completion” in Clause 1.1 of the Subscription Agreement is deleted and replaced with the following definition:

“Completion” means a date being not later than the date which is 19 calendar days following the date of this Agreement (or such later date as may be agreed amongst the parties hereto) on which completion of the Subscription will take place;

3. The definition of “Completion Payment” in Clause 1.1 of the Subscription Agreement is deleted and replaced with the following definition:

“Completion Payment” means the consideration payable by the Subscriber to the Company at Completion in the amount of HK\$235,152,555 for the Subscription Shares at the Subscription Share Price;

4. The definition of “Promissory Note” and “Subscription Consideration” in Clause 1.1 of the Subscription Agreement are deleted in their entirety.

5. The following definition is inserted as a new definition in Clause 1.1 of the Subscription Agreement:

“Rights Issue” means the proposed rights issue of the Company announced by the Company on 12 August 2021;

6. The definition of “Subscription Shares” in Clause 1.1 of the Subscription Agreement is deleted and replaced with the following definition:

“Subscription Share(s)” means 33,834,900 Shares representing approximately 5.24% of the total issued Shares after the issuance of the Subscription Shares and to be allotted and issued to the Subscriber by the Company under this Agreement;

7. Clause 2.2 of the Subscription Agreement is deleted and replaced with the following clause:

The Subscription Shares, once allotted and issued, shall rank pari passu in all respects with the other Shares in issue or to be issued by the Company on or prior to the Completion Date including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

8. Clause 3 of the Subscription Agreement is deleted and replaced with the following clause:

3. CONSIDERATION

The consideration for the Subscription shall be satisfied by the Subscriber by the payment of the Completion Payment on Completion by either, at the option of the Subscriber, (i) electronic transfer of immediately available funds to the Company or (ii) delivery of a cashier's order issued by a bank licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) to the Company.

9. Clause 4.1 of the Subscription Agreement is deleted and replaced with the following clause:

Completion of the Subscription is conditional upon the fulfilment of the following conditions:

- (a) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Subscription Shares (the "Listing Approval") and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares;*
- (b) each Party obtaining all necessary corporate and other actions to authorise the execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement; and*
- (c) the representations and warranties given by the Parties in Clause 6 of this Agreement remaining true and accurate in all material respects and not misleading as at Completion and there have not been any breaches of the undertakings by the Parties in Clause 6 of this Agreement as at Completion.*

10. Clause 4.3 of the Subscription Agreement is deleted and replaced with the following clause:

Each Party shall use its reasonable endeavours to procure the fulfilment of the Conditions applicable to each of them as soon as is reasonably practicable. If the Conditions are not fulfilled within 18 calendar days after the date of this Agreement, or such later date as may be agreed among the Parties, the obligations and liabilities of the Subscriber, the Manager and the Company under the Subscription shall be null and void and neither the Company nor the Subscriber nor the Manager shall have any claim against the other for costs, damages, compensation or otherwise

11. Clause 5.1 of the Subscription Agreement is deleted and replaced with the following clause:

Completion shall take place on the same or following Business Day after the date upon which the last of the Conditions to be satisfied shall have been so satisfied, provided that it shall take place on a date no later than 19 calendar days after the date of this Agreement, or at such other time and/or date as the Parties may agree in writing and in compliance with the Listing Rules.

12. Clause 5.2 of the Subscription Agreement is deleted and replaced with the following clause:

On the Completion Date, the Subscriber shall:

- (a) pay or shall procure the payment of the Completion Payment to the Company*

in accordance with Clause 3 and where the payment is by way of electronic transfer, the Subscriber shall provide to the Company a copy of the MT103 advice or any other document evidencing the transfer of the Completion Payment to the Company; and

- (b) *deliver to the Company a certified copy of the resolutions of the Subscriber's board of directors or any documentation evidencing the approval of the Subscription and the execution, delivery and performance of this Agreement by the Subscriber.*

13. Clause 6.1(f) of the Subscription Agreement is deleted and replaced with the following clause:

*(i) The Company has made public all information required to be made public by all applicable laws, rules and regulations including the Listing Rules and the SFO, (ii) the information released publicly in Hong Kong, or elsewhere by the Company, including without limitation its latest annual report and interim report filed with the Stock Exchange on 18 November 2020 and 22 April 2021 respectively, in each case as amended or supplemented (together, the "**Company Disclosure**"), does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and does not otherwise omit any information which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group, (iii) except for the Announcements or any announcements in respect of the Rights Issue, no announcement or disclosure is anticipated to be made by the Company within 14 days after the date of this Agreement, (iv) the financial statements included in the Company Disclosure (a) present fairly the financial position of the Company and its consolidated subsidiaries as of the dates shown and the results of operations for the periods shown, (b) have been prepared on a recognised and consistent basis and in conformity with generally accepted accounting principles, standards and practice in Hong Kong and other relevant jurisdiction applied on a consistent basis, (c) comply with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and all other applicable ordinances, statutes and regulations and show a true and fair view of the state of affairs of the Group and of its results for the period in question, and (v) no member of the Group, save as already publicly disclosed or waived in writing by a relevant regulatory body, is in breach of any laws, rules and regulations or requirements of the Hong Kong Stock Exchange or the SFC (including the Listing Rules and the SFO).*

14. The following clause shall be inserted as Clause 6.1(k) of the Subscription Agreement:

(i) The Company shall announce, as soon as possible but in any event no later than the date prior to the Completion Date or the date on which the other Conditions are fulfilled (whichever is earlier), a revision of the expected timetable for the Rights Issue, which shall be approved by the Subscriber and the Manager (such approval not to be unreasonably withheld or delayed) and (ii) the Subscriber, as holder of the Subscription Shares, shall be able to successfully participate in, and the Subscription Shares shall qualify for, the Rights Issue and any other open offers, rights issue or any other corporate actions that may be announced by the Company on or before the Completion Date.

15. Clause 7 of the Subscription Agreement is deleted and replaced with the following clause:

7. ANNOUNCEMENTS

*The Company shall release or cause to be released for publication, as soon as possible upon the execution of this Agreement or any supplemental agreements to this Agreement, an announcement or supplemental announcement (as the case may be) in relation to the transactions contemplated by this Agreement or any amendments or supplements to the terms of this Agreement (as the case may be) and pursuant to the applicable requirements under the Listing Rules (the "**Announcements**"), provided that prior approval of the content and the release of the Announcements has been obtained from the Subscriber and the Manager (such approval not to be unreasonably withheld or delayed).*

16. Schedule 1 of the Subscription Agreement is deleted in its entirety.

IN WITNESS whereof this Deed has been executed as a deed and delivered on the day and year first above written.

EXECUTED AND DELIVERED AS A DEED by
LAI SUN DEVELOPMENT COMPANY LIMITED

)
)
) 
) _____
) Name: CHEW Fook Aun
) Director

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)
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)
) 
) _____
) Name: Tham Seng Yum, Ronald
) Director

Witnessed by:-


Name: **Wei Wei**
Address: 1917, AIA Central

EXECUTED AND DELIVERED AS A DEED by
JINLONG ROAD LIMITED

For and on behalf of
ARGYLE STREET MANAGEMENT LIMITED

.....
Authorized Signature(s)

)
)
)

) Name: Kin Chan on behalf of
) Title: Argyle Street Management Limited
Authorized Signatory

Witnessed by:-



Name Wong Wei Jian Steven
Address: Unit 601, St. George's Building,
2 Ice House Street, Central, Hong Kong

EXECUTED AND DELIVERED AS A DEED by
ARGYLE STREET MANAGEMENT LIMITED

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)
)

) Name: Kin Chan
) Title: Director

Witnessed by:-



Name Wong Wei Jian Steven
Address: Unit 601, St. George's Building,
2 Ice House Street, Central, Hong Kong