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LIFESTYLE CHINA GROUP LIMITED

利福中國集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2136)

CHANGE IN SHAREHOLDING OF CONTROLLING SHAREHOLDER

The board of directors (the “**Board**”) of Lifestyle China Group Limited (the “**Company**”) has been informed by Mr. Lau Luen Hung, Thomas (“**Mr. Lau**”), the executive director and the controlling shareholder of the Company, that on 3 May 2018, for the establishment of a new family trust of Mr. Lau (the “**New Trust**”) of which the eligible beneficiaries are Mr. Lau’s spouse and children, Mr. Lau had transferred, by way of gift (i) the only issued voting non-participating share (the “**AP Voting Share**”) in the issued share capital of Asia Prime Assets Limited (“**Asia Prime**”) to Sand Cove Holdings Limited (“**Sand Cove**”); and (ii) the only issued non-voting participating share (the “**AP Non-voting Share**”) in the issued share capital of Asia Prime to Lifestyle Assets Limited (“**Lifestyle Assets**”) (collectively, the “**Transfers**”).

Before completion of the Transfers, Mr. Lau was directly or indirectly interested in a total of 1,014,401,792 shares of the Company (the “**Shares**”), representing approximately 63.66% of the total issued share capital of the Company. Among these 1,014,401,792 Shares, 540,000,000 Shares, representing approximately 33.89% of the total issued share capital of the Company, were held by United Goal Resources Limited (“**United Goal**”), a company ultimately owned as to 80% by Asia Prime (which was then wholly owned by Mr. Lau) and as to 20% by certain family members of Mr. Lau Luen Hung, Joseph.

After completion of the Transfers, Sand Cove (a company wholly owned and controlled by Mr. Lau), being the holder of the AP Voting Share, is not entitled to participate in the profits and assets of Asia Prime but is entitled to exercise 100% of the voting rights at general meetings of Asia Prime which will, in turn, continue to be entitled to exercise 80% of the voting rights in United Goal. Hence, Mr. Lau will remain as a controlling shareholder of the Company interested either directly or indirectly in a total of 1,014,401,792 Shares, representing approximately 63.66% of the total issued share capital of the Company after completion of the Transfers. On the other hand, Lifestyle Assets (a company wholly owned by J.P. Morgan Trust Company (Bahamas) Limited (the “**Trustee**”) as trustee of the New Trust), being the holder of the AP Non-voting Share, does not have any voting rights in Asia Prime but shall be entitled to participate in the profits and assets of Asia Prime.

Under The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”), Sand Cove, Lifestyle Assets and the Trustee would incur an obligation to make a mandatory general offer following completion of the change of shareholdings in Asia Prime for the establishment of the New Trust. The Executive of the Securities and Futures Commission of Hong Kong (as defined in the Takeovers Code) has granted a waiver to Sand Cove, Lifestyle Assets and the Trustee of such obligation pursuant to Note 6(a) to Rule 26.1 of the Takeovers Code.

By order of the Board
Lifestyle China Group Limited
Poon Fuk Chuen
Company Secretary

Hong Kong, 3 May 2018

As at the date of this announcement, the Board comprises Mr. Lau Luen Hung, Thomas as executive director; Ms. Chan Chor Ling, Amy as non-executive director; and Ms. Cheung Mei Han, Mr. Cheung Yuet Man, Raymond and Mr. Lam Kwong Wai as independent non-executive directors.