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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)

SUPPLEMENTAL ANNOUNCEMENT

References are made to the (i) supplemental announcement of Lifestyle China Group Limited (the “Company”, together with its subsidiaries collectively the “Group”) dated 5 May 2020 in relation to the annual results announcement and the annual report for the year ended 31 December 2019 (the “2020 Supplemental Announcement”); (ii) annual results announcement and the annual report (the “2020 Annual Report”) of the Company for the year ended 31 December 2020; and (iii) interim results announcement and the interim report (the “2021 Interim Report”) of the Company for the six months ended 30 June 2021. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the 2021 Interim Report.

The auditor of the Company (the “Auditor”) expressed a qualified opinion on the Company’s financial statements for the year ended 31 December 2020 (the “Qualified Opinion”) and a qualified conclusion for the six months ended 30 June 2021 (the “Qualified Conclusion”), with details as set out under the sections “Basis for qualified opinion” in the 2020 Annual Report and “Basis for qualified conclusion” in the 2021 Interim Report respectively.

As explained in the 2021 Interim Report, there has not been any progress made since the 2020 Supplemental Announcement regarding the legal actions taken by the Beiren Group against the Debtors as the case against the Guarantor taken by the relevant authority is still pending. As at the date of this announcement, there was no meaningful progress made in terms of recovering the Trade Receivables or being able to obtain any further financial or other relevant information of the Debtors and the Guarantor, the Company is not in a position to come up with any concrete timetable or any alternative approach, other than relying on management of the Beiren Group as the Group only holds a non-controlling interest therein, for addressing the Qualified Opinion and the

Qualified Conclusion. The Company will continue, wherever possible and practicable, to implement the measures and/or actions as set out in the Company's action plan in the 2020 Supplemental Announcement, including but not limited to regular communication with the major shareholder of the Beiren Group and the designation of the Group's Chief Financial Officer to work closely with management of the Beiren Group.

Nevertheless, the Company will make continuous efforts to further explore with management of the Beiren Group options in obtaining relevant information of the Debtors. As of the date of this announcement, the Company is not in a position to conclude whether there will be any carry forward effect on the Company's annual results for the year ending 31 December 2021, which will very much depend on future development of the situation as mentioned above. The Auditor has agreed with the Company's assessment that in the absence of any meaningful progress made in terms of the legal actions taken by Beiren Group against the Debtors and the Guarantor in recovering the Trade Receivables or in obtaining any further financial or other relevant information of the Debtors and the Guarantor, the Auditor is also not in a position to assess whether there will be any carry forward effect on the Company's annual results for the year ending 31 December 2021.

The Company will continue to monitor the development of the situation and to discuss the same with the Auditor on a timely and regular basis to addressing where possible the modification. The Company will make further announcement to update shareholders of the Company on the status and development of the case and implication, if any, on the Qualified Opinion when appropriate.

On behalf of the Board
Lifestyle China Group Limited
Lau Luen Hung, Thomas
Chairman and Executive Director

Hong Kong, 17 September 2021

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.