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LUEN THAI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS MASTER SUBCONTRACTING AGREEMENT

Reference is made to the announcements of the Company dated 30 June 2025 and 11 July 2025 in relation to the Master Subcontracting Agreement between LTO and Shangtex HK on 30 June 2025. Pursuant to the Master Subcontracting Agreement, the LTO Group has agreed to provide subcontracting services for the manufacturing of apparel products to the Shangtex HK Group on a non-exclusive basis for a term of from 1 July 2025 to 31 December 2027.

Taking into account the continuous increase in demand from Shangtex HK Group for the subcontracting services provided by the LTO Group due to its growth of the business, the Directors consider that the Existing Annual Caps will be insufficient for the expected amounts for the provision of subcontracting services by the LTO Group for the remaining term of the Master Subcontracting Agreement. Accordingly, the Board resolved to revise the Existing Annual Caps and set the Revised Annual Caps to fulfill the anticipated amount for the transactions contemplated under the Master Subcontracting Agreement. The Revised Annual Caps for the period from 1 July to 31 December 2025 and the two years ending 31 December 2026 and 2027 are US\$1,400,000 (or approximately HK\$10,920,000), US\$1,400,000 (or approximately HK\$10,920,000) and US\$1,400,000 (or approximately HK\$10,920,000), respectively.

As at the date of this announcement, Shangtex HK holds approximately 70.64% of the issued share capital of the Company, and hence is a substantial shareholder and connected person of the Company. Therefore, the transaction contemplated under the Master Subcontracting Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As all the applicable percentage ratios for the Master Subcontracting Agreement are more than 0.1% but less than 5%, the transactions under the Master Subcontracting Agreement are therefore subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

Reference is made to the announcements of the Company dated 30 June 2025 and 11 July 2025 in relation to the Master Subcontracting Agreement between LTO and Shangtex HK on 30 June 2025. Pursuant to the Master Subcontracting Agreement, the LTO Group has agreed to provide subcontracting services for the manufacturing of apparel products to the Shangtex HK Group on a non-exclusive basis for a term of from 1 July 2025 to 31 December 2027.

REVISION OF THE EXISTING ANNUAL CAPS AND REASON FOR THE REVISION

The Board has reviewed and assessed the transactions contemplated under the Master Subcontracting Agreement and expects that the actual amount for the transactions contemplated under the Master Subcontracting Agreement will exceed its previous estimation such that the Existing Annual Caps for the period from 1 July 2025 to 31 December 2027 will not be sufficient to satisfy the business needs of the LTO Group.

Existing Annual Caps and historical transaction amount

As mentioned in the announcement of the Company dated 30 June 2025 and 11 July 2025, the Existing Annual Caps for the period from 1 July to 31 December 2025 and the two years ending 31 December 2026 and 2027 are US\$950,000 (or approximately HK\$7,410,000), US\$1,000,000 (or approximately HK\$7,800,000) and US\$1,000,000 (or approximately HK\$7,800,000), respectively.

The actual subcontracting services fee paid/payable by the Shangtex HK Group to the LTO Group for the transactions contemplated under the Master Subcontracting Agreement for the four-month period from 1 July to 31 October 2025 was approximately US\$745,000 (or approximately HK\$5,811,000), which was approximately 78.42% of the Existing Annual Caps for the six-month period from 1 July 2025 to 31 December 2025.

Reason for the revision and the Revised Annual Caps

Taking into account the continuous increase in demand from Shangtex HK Group for the subcontracting services provided by the LTO Group due to its growth of the business, the Directors consider that the Existing Annual Caps will be insufficient for the expected amounts for the provision of subcontracting services by the LTO Group for the remaining term of the Master Subcontracting Agreement. Accordingly, the Board resolved to revise the Existing Annual Caps and set the Revised Annual Caps to fulfill the anticipated amount for the transactions contemplated under the Master Subcontracting Agreement.

The Revised Annual Caps for the period from 1 July to 31 December 2025 and the two years ending 31 December 2026 and 2027 are US\$1,400,000 (or approximately HK\$10,920,000), US\$1,400,000 (or approximately HK\$10,920,000) and US\$1,400,000 (or approximately HK\$10,920,000).

The Revised Annual Caps are determined with reference to (among others) (i) the above historical transaction amount for the four months ended 31 October 2025; (ii) revised estimation of the demand on the subcontracting services required by the Shangtex HK Group during each period; (iii) the assumption that there will not be material changes to the unit cost of processing fee; and (iv) an additional buffer of approximately 10%.

Save for the revision of the Existing Annual Caps, all other terms of the Master Subcontracting Agreement remain unchanged.

The Directors (including the independent non-executive Directors) consider that the revision of the Existing Annual Caps arises in the ordinary and usual course of business of the Group and that the Revised Annual Caps are determined based on normal commercial terms, and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

IMPACT OF THE REVISED ANNUAL CAPS ON THE COMPANY

The continuing connected transactions under the Master Subcontracting Agreement will continue to be conducted on a fair and reasonable basis and in accordance with the Company's established internal control measures. These transactions will not have any material adverse impact on the Company's financial position or operating results, nor will they affect the independence of the Company.

INFORMATION ON THE PARTIES

LTO is an investment holding company and a direct wholly-owned subsidiary of the Company. The Group is principally engaged in the manufacturing and trading of apparels and accessories.

Shangtex HK is an investment holding company. The Shangtex HK Group is principally engaged in the manufacturing and trading of apparels and accessories.

Shangtex HK is a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Shangtex Holding Co., Ltd., a company incorporated in the PRC and owned as to 96.65% by Orient International (Holding) Co., Ltd. Orient International (Holding) Co., Ltd. is ultimately owned as to 93.4% by the Shanghai State-owned Assets Supervision and Administration Commission.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shangtex HK holds approximately 70.64% of the issued share capital of the Company, and hence is a substantial shareholder and connected person of the Company. Therefore, the transaction contemplated under the Master Subcontracting Agreement constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual cap for the continuing connected transactions, the Company must re-comply with the provisions under Chapter 14A of the Listing Rules for the relevant connected transactions.

As all the applicable percentage ratios in respect of the annual caps for the transactions contemplated under the Master Subcontracting Agreement are more than 0.1% but less than 5%, the transactions are therefore subject to the reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Three Directors, namely Mr. Wang Weimin, Mr. Zhang Min and Mr. Jin Xin, each hold positions in Shangtex HK and/or its associated companies and hence have a material interest in the transactions contemplated under the Master Subcontracting Agreement. Accordingly, each of the said Directors has abstained from voting on the board resolution of the Company approving the entering into of the Supplemental Agreement and the transactions contemplated thereunder.

DEFINITIONS

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

“associate(s)”	shall have the meaning as ascribed to it under the Listing Rules
“Board”	board of Directors
“Company”	Luen Thai Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange (stock code: 311)
“connected person(s)”	shall have the meaning as ascribed to it under the Listing Rules
“continuing connected transaction(s)”	shall have the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Annual Caps”	The existing annual caps for the transactions contemplated under the Master Subcontracting Agreement
“Group”	the Company and its subsidiaries
“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
“independent third parties”	persons who are independent of the Company and its connected persons
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“LTO”	Luen Thai Overseas Limited, a company incorporated in the Bahamas and a direct wholly-owned subsidiary of the Company
“LTO Group”	LTO and its subsidiaries

“Master Subcontracting Agreement”	the master subcontracting agreement entered into between LTO and Shangtex HK dated 30 June 2025 pursuant to which the Company has agreed to provide subcontracting services for the manufacturing of apparel products to the Shangtex HK Group on a non-exclusive basis, the principal terms of which are set out in the announcement dated 30 June 2025
“Revised Annual Caps”	the revised annual caps for the transactions contemplated under the Master Subcontracting Agreement
“Shangtex HK”	Shangtex (Hong Kong) Limited, a company incorporated in Hong Kong and a substantial shareholder of the Company
“Shangtex HK Group”	Shangtex HK and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	shall have the meaning as ascribed to it under the Listing Rules
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

For illustration purpose, in this announcement, amounts in US\$ have been translated into HK\$ at the exchange rate of US\$1.00 to HK\$7.80. Such translations do not constitute a representation that any amount has been, could have been or may be exchanged at such rates.

By order of the Board
Luen Thai Holdings Limited
Chan Hiu Leong
Company Secretary

Hong Kong, 12 December 2025

As at the date hereof, the Board comprises Mr. Wang Weimin, Dr. Tan Siu Lin, Mr. Tan Cho Lung, Raymond, Mr. Zhang Min and Mr. Jin Xin as executive directors; Ms. Fok Yue San, Sandy as non-executive director; Mr. Chan Henry, Mr. Lee Cheuk Yin, Dannis and Ms. Shi Min as independent non-executive directors.

Company website: www.luenthai.com