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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Orange Sky Golden Harvest Entertainment (Holdings) Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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Golden Harvest

**ORANGE SKY GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED**

**橙天嘉禾娛樂(集團)有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1132)**

**VERY SUBSTANTIAL DISPOSAL IN RELATION TO  
THE PROPOSED DISPOSAL OF A PROPERTY  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used on this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A notice convening the SGM of the Company to be held at Star Room, 1/F, Ying’nFlo, Wesley Admiralty, 22 Hennessy Road, Wan Chai, Hong Kong on Thursday, 7 August 2025 at 5:00 p.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the SGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.osgh.com.hk>).

Whether or not you intend to attend the SGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish. No gift or souvenir will be offered in the SGM.

A letter from the Board is set out on pages 5 to 17 of this circular.

\* For identification purpose only

23 July 2025

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following terms or expressions shall have the meanings set out below:*

|                             |  |
|-----------------------------|--|
| “Additional Purchase Price” | the amount of S\$2,000,000 to be paid by the Purchaser to the Vendor as an adjustment to the Purchase Price in the event that approval for redevelopment of Yishun 10 is obtained within 12 months of the date of Completion                                 |
| “BCA”                       | the Building and Construction Authority of Singapore   |
| “Board”                     | the board of Directors   |
| “Company”                   | Orange Sky Golden Harvest Entertainment (Holdings) Limited (stock code: 1132), a company incorporated in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange  |
| “Completion”                | completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement  |
| “Conditions Precedent”      | the conditions precedent to Completion as set out under the Sale and Purchase Agreement  |
| “connected persons”         | has the meaning ascribed to it in the Listing Rules  |
| “Deposit”                   | the amount of S\$4,800,000 paid by the Purchaser to the Vendor’s solicitors as stakeholder on even date to the Sale and Purchase Agreement   |
| “Directors”                 | the Directors of the Company   |
| “Disposal”                  | the sale of the Property by the Vendor to the Purchaser  |
| “EFA”                       | Effective Floor Area   |
| “Equivalent Sum”            | an amount equal to the SF Amount as at the Completion Date (as may be further adjusted in connection with the requirement to obtain or comply with certain building certifications), which shall be paid by the Purchaser to the Vendor following Completion |

## DEFINITIONS

|                           |  |
|---------------------------|--|
| “gross sales”             | in the context of the Lease Agreement, means solely the box office revenue from the sale of movie tickets for movies screened in the Property, and the calculation of such “gross sales” shall exclude (1) returns to suppliers, shippers and/or manufacturers; (2) sale of fixtures, machinery or equipment after their use in the conduct of the Vendor’s business; and (3) GST or any tax excise or other charge whatsoever imposed by relevant authorities and required to be collected from customers of, and paid to relevant authorities or others by the Vendor, and shall include, among others, deductions for discounts given to staff of the Vendor, cash, credit or deposit refunds to customers and any government cess actually charged to the Vendor’s customers |
| “Group”                   | means the Company and its subsidiaries   |
| “GST”                     | goods and services tax payable in Singapore  |
| “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  |
| “Latest Practicable Date” | 18 July 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular  |
| “Lease Agreement”         | the lease agreement to be entered into between the Vendor and Purchaser at Completion in relation to the Leaseback Arrangements  |
| “Leaseback Arrangements”  | the leasing back of the Property by the Purchaser to the Vendor following Completion   |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Long Stop Date”          | 2 September 2025, being the date falling three months after the date of the Sale and Purchase Agreement (or such longer period as may be requested by the Vendor and agreed to by the Purchaser, such agreement not to be unreasonably withheld, delayed or conditioned)   |
| “NLA”                     | Net Lettable Area  |

## DEFINITIONS

|                               |   |
|-------------------------------|---|
| “Property”                    | the property located at 51 Yishun Central 1 #02–01 Singapore 768794 (which includes the 2nd to 4th storeys of Yishun 10 with a ticketing kiosk on the 1st storey and right to use certain common areas of Yishun 10), which is owned by the Vendor as at the Latest Practicable Date, excluding all plant, mechanical and electrical equipment, fixtures and fittings located in or on or which otherwise relate to the Property and fixtures attached to the Property or any part thereof by, or by the direction of, or owned or controlled by the Vendor |
| “Purchase Price”              | the purchase price for the Property under the Sale and Purchase Agreement, being the amount equivalent to S\$48,000,000 (exclusive of GST and subject to further adjustment)  |
| “Purchaser”                   | Lion (Singapore) Pte. Limited, an independent third party   |
| “Sale and Purchase Agreement” | the agreement entered into between the Vendor and the Purchaser on 2 June 2025 in respect of the Disposal   |
| “SF Amount”                   | the amounts contributed by the Vendor to the Sinking Fund from time to time prior to Completion   |
| “SFA”                         | Strata Floor Area   |
| “SFO”                         | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)   |
| “SGM”                         | the special general meeting of the Company to be convened for the purposes of considering and, if thought fit, approving the Sale and Purchase Agreement and the transactions contemplated thereunder   |
| “Share(s)”                    | ordinary share(s) of HK\$0.1 each in the share capital of the Company   |
| “Shareholder(s)”              | holder(s) of Share(s)   |
| “Sinking Fund”                | a reserved pool of money managed by the management corporation of Yishun 10 collected from time to time for purposes of financing the capital expenses of such building   |
| “sq. m.”                      | square meter  |

|                    |
|--------------------|
| <b>DEFINITIONS</b> |
|--------------------|

|                  |  |
|------------------|--|
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited  |
| “Valuer”         | Knight Frank Petty Limited   |
| “Vendor”         | Golden Village Multiplex Pte Ltd, a company incorporated in Singapore and an indirect wholly-owned subsidiary of the Company |
| “Yishun 10”      | the building known as “Yishun 10” in which the Property is situated  |
| “S\$”            | Singaporean dollars, the lawful currency of Singapore  |
| “%”              | percent  |

## LETTER FROM THE BOARD



Golden Harvest

### ORANGE SKY GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED

橙天嘉禾娛樂(集團)有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1132)

*Chairman and Executive Director:*

Mr. Wu Kebo

*Executive Directors:*

Ms. Chow Sau Fong, Fiona

Ms. Go Misaki

Mr. Peng Bolun

Ms. Kong Minru

*Independent Non-executive Directors:*

Mr. Leung Man Kit

Ms. Wong Sze Wing

Mr. Fung Chi Man, Henry

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Principal place of business:*

Unit 2101, YF Life Tower

33 Lockhart Road

Wan Chai

Hong Kong

23 July 2025

*To the Shareholders*

Dear Sir or Madam,

### VERY SUBSTANTIAL DISPOSAL IN RELATION TO THE PROPOSED DISPOSAL OF A PROPERTY

#### 1. INTRODUCTION

On 2 June 2025 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which, among others, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Property at the Purchase Price of S\$48,000,000 (exclusive of GST and subject to further adjustment). Pursuant to the Sale and Purchase Agreement, the Property is sold subject to a leaseback of the Property to the Vendor by the Purchaser, which shall commence from and including the Completion Date and on the terms set out in the Lease Agreement.

\* For identification purposes only

## LETTER FROM THE BOARD

### 2. SALE AND PURCHASE AGREEMENT

**Date** : 2 June 2025

**Vendor** : Golden Village Multiplex Pte Ltd

**Purchaser** : Lion (Singapore) Pte. Limited

**Subject matter** : The sale and purchase of the Property.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

#### (a) The Property

As at the Latest Practicable Date, the Vendor owns the Property. Pursuant to the Sale and Purchase Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to purchase the Property at the Purchase Price subject to the terms and conditions set out in the Sale and Purchase Agreement.

The Property is located at 51 Yishun Central 1 #02-01 in Singapore and is currently the location for one of the Group's cinemas in Singapore. Pursuant to the Sale and Purchase Agreement, at completion of the Sale and Purchase Agreement, the Vendor and the Purchaser will enter into the Lease Agreement for the lease of the Property by the Purchaser to the Vendor. For further details regarding the Lease Agreement, please refer to the section headed "3. Lease Agreement" below.

#### (b) Deposit

Pursuant to the Sale and Purchase Agreement, on even date to the Sale and Purchase Agreement, the Purchaser has paid to the Vendor's solicitors the amount of S\$4,800,000 (equivalent to 10% of the Purchase Price) as deposit. The Deposit will be released to the Vendor on Completion and form part of the Purchase Price. In the event that the Sale and Purchase Agreement is terminated due to (1) not obtaining the approval of the shareholders of the Vendor for the shareholders' resolutions for the Disposal under the Sale and Purchase Agreement; and/or (2) not obtaining the approval of the Shareholders at the SGM for entry into the Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with the Listing Rules by way of passing of the requisite resolutions, the Deposit will be refunded to the Purchaser. In the event that the Sale and Purchase Agreement is terminated for reasons other than the foregoing or is rescinded by the Purchaser, the Deposit will be forfeited to the Vendor.



## LETTER FROM THE BOARD

### (c) Purchase Price

Pursuant to the Sale and Purchase Agreement, the aggregate purchase price payable by the Purchaser to the Vendor for the purchase of the Property shall be the Purchase Price.

Pursuant to the Sale and Purchase Agreement, the Vendor and the Purchaser have agreed that if the Purchaser obtains or procures building permission for the redevelopment of Yishun 10 within 12 calendar months from the date of Completion, the Purchaser shall further pay the Additional Purchase Price (namely, S\$2,000,000) to the Vendor together with GST thereon, representing an upward adjustment to the Purchase Price.

The Company understands that the Purchaser has to incur significant costs in evaluating the feasibility of any potential redevelopment of the Yishun 10 site and apply for various approvals from the relevant competent authorities in Singapore before the requisite building permission for such redevelopment can be obtained. These competent authorities include, amongst others, Urban Redevelopment Authority, Land Transport Authority, Public Utilities Board, National Parks Board and Fire Safety & Shelter Department. In addition, the Purchaser is also required to apply to the Land Authority for a rezoning of the relevant plot of land.

In addition to the significant costs involved in the feasibility evaluation, the granting of the building permission for the redevelopment is at the sole discretion of the Singapore government and it is uncertain whether such building permission can be obtained in the end and whether such building permission (if granted) would be based on the plot ratios and/or other parameters desired for such redevelopment.

Taking account of the above uncertainties, the significant financing costs of the redevelopment and the market uncertainties as a result of the long development/construction cycle, the Board takes the view that the Purchase Price is fair and reasonable and in the interests of the Company and its shareholders.

The Purchase Price and the Additional Purchase Price were determined based on arm's length negotiations between the parties with reference to the appraised value of S\$48,000,000 as valued by the Valuer as at 28 May 2025 in relation to the Property. For further details of the valuation report, please refer to the section "5. VALUATION APPROACH, ASSUMPTIONS AND INPUTS IN CONNECTION WITH THE PROPERTY VALUATION" below.

## LETTER FROM THE BOARD

The balance of the Purchase Price (namely, the Purchase Price excluding the Deposit) shall be paid in cash together with GST on the entire amount of the Purchase Price by the Purchaser to the Vendor (or such other party as the Vendor may direct) at Completion.

Pursuant to the Sale and Purchase Agreement, all GST at the prevailing rate for the monies payable by the Purchaser under the Sale and Purchase Agreement shall be borne by the Purchaser.

### **(d) Sinking Fund**

The Vendor has contributed the SF Amount to the Sinking Fund and pursuant to the Sale and Purchase Agreement, the Vendor and the Purchaser agreed that the Purchaser would pay an amount equivalent to the SF Amount (as contributed by the Vendor up to Completion) to the Vendor (namely the “Equivalent Sum”) within 30 days following the completion of the audit conducted by the management corporation of Yishun 10 for the purposes of preparing the audited statement of the Sinking Fund and, if applicable, the finalisation of any part of the SF Amount to be deducted from the Sinking Fund in connection with the requirement to utilise the Sinking Fund to carry out works within the Property so as to obtain or comply with among others the requirements of certain building certifications.

According to the management accounts prepared by the management corporation for the Property, as of 30 April 2025 (unaudited), the Vendor’s contributions to the Sinking Fund amounted to S\$488,921.59 in aggregate.

### **(e) Building certifications**

The Vendor has agreed to carry out works within the Property such that the application for the renewal of the fire safety certificate for Yishun 10 will not be delayed or rejected due to any non-compliance or breach attributable to the Property, and shall use its reasonable endeavours to procure the management corporation of Yishun 10 to:

- (i) obtain the renewal of the fire certificate for Yishun 10 by no later than 29 June 2025; and
- (ii) appoint a competent person to inspect the façade of Yishun 10 and submit the inspection report to the Building and Construction Authority of Singapore no later than 30 June 2025 or such later date as may be required by the competent person and agreed to by the Purchaser (such agreement not to be unreasonably withheld, delayed or conditioned).

## LETTER FROM THE BOARD

On 20 June 2025, the renewed fire certificate for Yishun 10 was obtained. Inspection of the façade of Yishun 10 by a competent person was completed at the end of June 2025 and the competent person is preparing the inspection report which is expected to be submitted to the BCA in September 2025 ahead of BCA's submission deadline.

### **(f) Conditions to Completion**

Completion is subject to:

- (i) the passing of the resolutions by the shareholders of the Vendor approving the Disposal under the Sale and Purchase Agreement;
- (ii) the passing of the resolutions by Shareholders at the SGM for entry into the Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with the Listing Rules; and
- (iii) no indication having been received from the Stock Exchange concerning (1) the objection of the sale and leaseback of the Property; or (2) the suspension, cancellation, revocation or withdrawal of the continuous listing status of the Shares for any reason due to the sale or leaseback of the Property, in each case, as contemplated under the Sale and Purchase Agreement and the Lease Agreement.

Pursuant to the terms and conditions of the Sale and Purchase Agreement, in the event that the abovesaid conditions are not fulfilled by the Long Stop Date, the Sale and Purchase Agreement shall be terminated, the Lease Agreement will not be signed between the Purchaser and the Vendor, and the transactions contemplated under the Sale and Purchase Agreement and the Lease Agreement will not proceed.

The Purchaser may also be entitled to rescind the Sale and Purchase Agreement if there is a breach of warranties and representations on title of the Property provided by the Vendor.

Upon Completion, the Property will cease to be held by the Group, and pursuant to the Leaseback Arrangements under the Lease Agreement, the Purchaser will lease the Property to the Vendor, subject to and in accordance with the provisions set out thereunder.

### **(g) Undertaking by controlling shareholder**

As at the Latest Practicable Date, Mr. Wu Kebo is the chairman, an executive Director and the controlling Shareholder of the Company, and is interested in 1,998,578,497 Shares, representing approximately 71.39% of the entire issued Share capital of the Company. In connection with the Sale and Purchase Agreement, Mr. Wu Kebo has executed an irrevocable undertaking in favour of the Purchaser providing that

## LETTER FROM THE BOARD

he will procure each of Mainway Enterprises Limited and Orange Sky Entertainment Group (International) Holding Company Limited to exercise the voting rights attached to Shares held by them at the time of the SGM to vote in favour of the ordinary resolutions to approve the Sale and Purchase Agreement at the SGM.

### 3. LEASEBACK ARRANGEMENTS UNDER THE LEASE AGREEMENT

#### The Lease Agreement

|                       |   |   |
|-----------------------|---|---|
| <b>Date</b>           | : | On or before the date on which Completion takes place, and to take effect from Completion |
| <b>Lessee</b>         | : | Golden Village Multiplex Pte Ltd  |
| <b>Lessor</b>         | : | Lion (Singapore) Pte. Limited   |
| <b>Subject matter</b> | : | The leasing of the Property by the Purchaser as lessor to the Vendor as lessee            |
| <b>Premises</b>       | : | The Property  |
| <b>Term</b>           | : | 18 months commencing from the date of Completion  |

Pursuant to the Lease Agreement, the Purchaser as lessor will lease the Property to the Vendor as lessee, with a term of 18 months commencing from the date of Completion.

#### Rent

The monthly rent payable under the Lease Agreement will be 10% of the Vendor's monthly gross sales derived from its business operations on the Property. The provisions in relation to the calculation of rent under the Lease Agreement was determined after arms' length negotiations by the parties. The Board is of the view that, having regard to the historical box office earnings after GST for its business operations on the Property, the monthly rent that would be payable under the Lease Agreement is more favourable to the Vendor than the prevailing market rent for similar properties in the Singapore market, and that such monthly rent was agreed between the parties as an additional incentive for the Vendor for carrying out the Disposal.

It is intended that the rent payable under the Lease Agreement from time to time will be paid out of the internal resources of the Company.

## LETTER FROM THE BOARD

The average monthly sales (excluding GST) derived from the Group's business operations on the Property for the financial years ended on 31 December 2023 and 2024 were approximately S\$450,000 and S\$454,000 respectively.

### **Security deposit**

A security deposit of S\$200,000 by way of banker's guarantee, based on estimated rental payments for approximately 3 months under the Lease Agreement, is required to be provided by the Vendor to the Purchaser upon entry into the Lease Agreement.

## **4. INFORMATION ON THE PROPERTY**

For the years ended 31 December 2023 and 31 December 2024, the Property was owned and occupied by Vendor for the purposes of operating one of the Group's cineplexes out of the Yishun 10 building. As such, there is no revenue or net profits attributable solely to the Property itself for each of the years ended 31 December 2023 and 31 December 2024 respectively.

The Property comprises a 1,477-seat cineplex (10 cinema halls) located on the 2nd to 4th storeys (with a ticketing kiosk on the 1st storey and right to use certain common areas of the complex) of a 4-storey shopping-cum-entertainment complex (with 3 basement levels) known as Yishun 10. To the best knowledge, information and belief of the Directors, having made reasonable enquiries, a related party of Frasers Property Limited is the owner of the 1st storey (other than a ticketing kiosk owned by the Group on the 1st storey) of the Yishun 10 building.

The Property was classified as other property, plant and equipment and right-of-use assets in the audited consolidated financial statements of the Group for the year ended 31 December 2024, with a carrying value of approximately S\$45,081,000.

## **5. VALUATION APPROACH, ASSUMPTIONS AND INPUTS IN CONNECTION WITH THE PROPERTY VALUATION**

Set out below is a summary of the valuation approach, assumptions and inputs of the valuation report issued by the Valuer:

### **Valuation approach**

The Valuer has adopted the direct comparison method and the capitalisation method to value the Property and has followed "The HKIS Valuation Standards" issued by The Hong Kong Institute of Surveyors, "The RICS Valuation — Global Standards" issued by the Royal Institution of Chartered Surveyors and the Singapore Institute of Surveyors and Valuers Valuation Standards and Practice Guidelines when preparing the valuation report.

## LETTER FROM THE BOARD

Under the standards, market value is defined as “the estimated amount for which an asset or liability should exchange on valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

The Valuer has prepared the valuation on the basis that the Property is in its existing physical state, subject to the proposed leaseback terms and conditions for 18 months and without taking into account any potential redevelopment sale value, as at the valuation date.

### **Valuation assumptions**

The Valuer has made several assumptions when valuing the Property, including:

- (i) good and marketable title, and that all documentation is satisfactorily drawn;
- (ii) the Property is not subject to any unusual or onerous covenants, restrictions, encumbrances, or outgoings;
- (iii) no allowance for any charges, mortgages, or amounts owing on the Property;
- (iv) the Property was in satisfactory order without any unauthorized extensions, structural alterations, or illegal uses;
- (v) the Property is insurable against all usual risks, including terrorism, flooding, and rising water table, at normal, commercially acceptable premiums in all respects;
- (vi) the Property is free from urgent or significant defects or items of disrepair, and no deleterious materials have been used in its construction;
- (vii) the load-bearing qualities of the site of the Property are sufficient to support the building constructed or to be constructed thereon;
- (viii) absence of environmental issues; and
- (ix) compliance with relevant ordinances and regulations.

## LETTER FROM THE BOARD

### Valuation inputs

#### (i) *Direct comparison method*

For valuation by the direct comparison method, the Valuer has identified and analysed various relevant sales transactions of large-sized retail properties within the last 12 months of the valuation date. The Valuer has taken into consideration the current market conditions and adjustments were made, where appropriate to arrive at the market value of the Property of S\$49,200,000, which is equivalent to an average unit rate of approximately S\$12,763 per sq. m. over the effective floor area (EFA).

#### (ii) *Capitalisation method*

For valuation by the capitalisation method, the Valuer has adopted the proposed leaseback gross rent at 10% of the gross sales for 18 months, estimated by the Vendor to be at S\$60,000 per month and an estimated reversionary market gross rent of approximately S\$64.58 per sq. m. per month over the EFA. Net income was capitalised with a capitalisation rate of 4.00%.

The derived value of the Property based on the capitalisation method by the Valuer is S\$47,400,000 or a unit rate of S\$12,296 per sq. m. over the EFA.

### Valuation reconciliation

The Valuer reconciled the value between the direct comparison method and the capitalisation method. A value of S\$48,000,000 (exclusive of GST) has been adopted, based on equal weighting of the direct comparison method and the capitalisation method.

The net book value of the Property was approximately S\$45,081,000 as at 31 December 2024 and no valuation of the Property was performed as at 31 December 2024. The last valuation of S\$42,000,000 of the Property was conducted on 3 September 2024, which was obtained by the Group for the purposes of for certain bank loan(s) of the Group.

The table below sets forth the reconciliation of the net book value of the Property as at 31 December 2024 and the net book value of the Property as at 2 June 2025.

|   |                          |
|---|--------------------------|
|   | S\$                      |
| Net book value as at 31 December 2024       | 45,081,000               |
| Depreciation from 1 Jan 2025 to 2 June 2025 | <u>(515,000)</u>         |
| Net book value as at 2 June 2025            | <u><u>44,566,000</u></u> |

## LETTER FROM THE BOARD

### 6. REASONS FOR THE DISPOSAL AND THE LEASEBACK ARRANGEMENTS

Given the current market conditions in Singapore in connection with commercial properties and the financial position of the Company, the management of the Company has been considering the sale of commercial properties as and when suitable buyers are available, to generate additional cash flow that would bolster the financial position of the Company.

Taking into consideration the current financial and liquidity position of the Group, the Board is of the view that the Disposal will allow the Group to realise its investment in the Property and generate additional working capital for the Group, and the Leaseback Arrangements shall allow the Group to continue operating its cinema business out of the Property, thereby facilitating a stable business environment for such cinema business.

Based on the above, and having considered the valuation report issued by the Valuer, together with the valuation approach, assumptions and inputs set out therein, the Board considers that the terms of the Sale and Purchase Agreement and the Lease Agreement are fair and reasonable, and the entering into of the Sale and Purchase Agreement and the Lease Agreement by the Vendor is in the interests of the Company and the Shareholders as a whole.

### 7. FINANCIAL EFFECT OF THE DISPOSAL AND THE LEASEBACK ARRANGEMENT

The Property was classified as other property, plant and equipment and right-of-use assets in the audited consolidated financial statements of the Group for the year ended 31 December 2024, with a carrying value of approximately S\$45,081,000.

Immediately upon Completion, on the basis that the Group will receive S\$48,000,000 in cash and having taken into account the Leaseback Arrangements that would become effective on the same date as Completion, on the basis that the potential adjustment to the Purchase Prices is not made, the Group expects that (1) its total assets will increase by approximately S\$4,437,000 (being the sum of cash of S\$48,000,000 received and the increase in right-of-use assets by approximately S\$1,003,000 minus the carrying value of the Property of approximately S\$44,566,000 as of 2 June 2025), (2) its total liabilities will increase by S\$1,080,000 (being the lease liabilities for the Leaseback Arrangements), and (3) to recognise an unaudited gain on disposal of approximately S\$3,357,000. The actual gain on the Disposal, changes in total asset value and total liabilities of the Group are subject to audit and may therefore be different from the amount mentioned above.



## LETTER FROM THE BOARD

### 8. USE OF PROCEEDS

Based on (a) the Purchase Price (excluding GST) of S\$48,000,000; and (b) assuming the potential adjustment to the Purchase Price of S\$2,000,000 (excluding GST) (namely, the Additional Purchase Price) is made, the net proceeds arising from the Disposal will be approximately S\$50,000,000 and are expected to be applied as follows:

- (a) approximately 62.5% to be applied towards repaying the existing bank loans of the Vendor; and
- (b) approximately 37.5% to be utilised as general working capital of the Group.

### 9. IMPLICATIONS UNDER THE LISTING RULES

As one or more of the relevant applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Disposal are 75% or more, the Disposal constitutes a very substantial disposal for the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As right-of-use assets will be required to be recognised on the Group's consolidated statement of financial position in accordance with HKFRS 16 with respect to the Leaseback Arrangements when the Lease Agreement is entered into. Accordingly, the Group expects that the Leaseback Arrangements thereunder will be regarded as an acquisition of assets by the Group under the Listing Rules. As at the Latest Practicable Date, the Group expects that all of the relevant applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Leaseback Arrangements will be less than 5%, and the Leaseback Arrangements will not constitute a notifiable transaction under Chapter 14 of the Listing Rules. The Group will comply with all applicable requirements under Chapter 14 of the Listing Rules (if any) in a timely manner when the Lease Agreement is entered into.

### 10. INFORMATION ON THE GROUP AND THE VENDOR

The Company is an investment holding company. The Group is principally engaged in film exhibition in Hong Kong and Singapore, film, video and television production and distribution business in Hong Kong, Mainland China and Singapore.

The Vendor is a company incorporated in Singapore. The Vendor principally engages in film exhibition in Singapore.

Following completion of the Disposal, the Group will lease the Property from the Purchaser pursuant to the Leaseback Arrangements under the Lease Agreement and continue operating a cinema complex out of the Property located in Yishun 10.

## LETTER FROM THE BOARD

### 11. INFORMATION ON THE PURCHASER

The Purchaser is a wholly owned subsidiary of Frasers Property Limited (SGX: TQ5), a company listed on Main Board of the Singapore Exchange Securities Trading Limited. The Frasers Property group is a multinational investor-developer-manager of real estate products and services across the property value chain and is headquartered in Singapore. As at the date of this announcement, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and Frasers Property Limited are third parties independent of the Company and its connected persons.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, there are no material loan arrangements between (a) the Purchaser, any of its directors and legal representatives and/or any ultimate beneficial owner(s) of the Purchaser who can exert influence on the Disposal on one hand, and (b) the Company or any of its connected persons and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the Disposal (namely the Vendor)) on the other hand, nor has there been any such loan arrangement in the past twelve months immediately preceding the date of this announcement.

### 12. SGM

A notice convening the SGM to be held at Star Room, 1/F, Ying'nFlo, Wesley Admiralty, 22 Hennessy Road, Wan Chai, Hong Kong on Thursday, 7 August 2025 at 5:00 p.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for the SGM is enclosed with this circular. Whether or not you intend to attend the SGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the SGM.

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

To the best of the Directors' knowledge, no Shareholder has a material interest in the Disposal and accordingly, no Shareholder is required to abstain from voting in respect of the ordinary resolution to approve the Disposal at the SGM.

## LETTER FROM THE BOARD

### 13. CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For determining the entitlement to attend and vote at the SGM, the transfer books and register of members of the Company will be closed from Monday, 4 August 2025 to Thursday, 7 August 2025 both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for attending and voting at the SGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Friday, 1 August 2025. The record date for determining the eligibility for shareholders to attend and vote at the SGM is Thursday, 7 August, 2025.

### 14. RECOMMENDATION

Having considered the reasons set out herein, the Directors are of the opinion that the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder, which have been reached after arm's length negotiations between the Vendor and the Purchaser, are on normal commercial terms, fair and reasonable, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant ordinary resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the SGM.

### 15. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

In case of any inconsistency between the English and Chinese versions of this circular, the English version shall prevail.

**Completion of the Disposal is conditional upon the satisfaction of, among others, the Conditions Precedent as described in the section headed "Conditions to Completion" in this letter, including the approval of the Sale and Purchase Agreement and the transactions contemplated thereunder by the Shareholders at the SGM. Accordingly, the Disposal and the Leaseback Arrangements may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.**

Yours faithfully,

By order of the Board

**Orange Sky Golden Harvest Entertainment (Holdings) Limited**

**Wu Kebo**

*Chairman and Executive Director*

## 1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for each of the three years ended 31 December 2022, 31 December 2023 and 31 December 2024, together with the relevant notes thereto are disclosed in the following documents, which have been published on both the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website (<http://www.osgh.com.hk>):

- annual report of the Company for the year ended 31 December 2022, on pages 14–23, 92–159;
- annual report of the Company for the year ended 31 December 2023, on pages 14–24, 94–167; and
- annual report of the Company for the year ended 31 December 2024, on pages 14–24, 95–175.

## 2. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that, after taking into consideration the effect of the Disposal and the financial resources available to the Group including internally generated funds and other financial resources, the Group will have sufficient working capital for its present requirements, that is for at least the next twelve months from the date of publication of this circular, in the absence of unforeseeable circumstances.

## 3. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 May 2025, being the latest practicable date of ascertaining certain information contained in this statement of indebtedness prior to the printing of this circular, the details of the Group's indebtedness are as follows:

### Bank borrowings

The Group had aggregate outstanding bank borrowings of approximately S\$31,250,000, details of which are set out below:

S\$

|  |            |
|--|------------|
| Bank borrowings — secured and guaranteed | 31,250,000 |
|--|------------|

The bank borrowings granted to the Group were secured by two properties of a subsidiary located in Singapore, and was guaranteed by corporate guarantees from the Company.

**Lease liabilities**

The Group had lease liabilities with outstanding principal amount of approximately HK\$377,808,000.

Save as aforesaid and apart from intra-group liabilities and normal trade payables, as at the close of business on 31 May 2025, being the latest practicable date of ascertaining information contained in this statement of indebtedness prior to the printing of this circular, the Group did not have any material mortgages, charges, debentures, loan capital, debt securities, term loans, bank overdrafts or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptances (other than normal trade payables) or acceptance credits, guarantees or other material contingent liabilities.

**4. MATERIAL ADVERSE CHANGE**

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024 (being the date of the latest published audited consolidated financial statements of the Group were made up to) and up to and including the Latest Practicable Date.

**5. FINANCIAL AND TRADING PROSPECTS OF THE REMAINING GROUP**

The pandemic has presented unprecedented challenges to the worldwide economy since 2020, and particularly the film and cinema industry has been one of the worst hit segments. Our industry has been suffering from growing popularity of streaming platforms and other forms of entertainment such as short video episodes that air on mobile platforms. A further blow to our industry is film supply disruption caused by Hollywood Actors and Writers Strikes that ended in late 2023 and the historic wildfires swept through Los Angeles earlier this year in January 2025. Various filming locations was damaged by the fire causing temporary halts to production. The recovery process for Hollywood and surrounding communities is ongoing and will take time and similarly our cinema business too will need help to get through the recovery period as film supplies get impacted once again.

With a lack of blockbusters in a thin release schedule resulted from the 2023 Hollywood Actors and Writers Strikes, similar to other cinema operators, we were expecting a steep decrease in box office, attendance and ultimately revenue. The Group's revenue in 2024 decreased by 7% to HK\$734.3 million (2023: HK\$792.8 million) due to lack of strong titles. The Group believes that the cinema industry worldwide is demonstrating resilience after the pandemic but with mixed results across different geographic markets. Singapore has been the main revenue contributor to the Group, attributing to 80% and 77% of the Group's total segment revenue in 2024 and 2023 respectively. In 2024, Golden Village represents 53% of the country's box office while it holds 47% of total installed screens.

Asian economies will have to handle high levels of unpredictability in the trade outlook with much of the uncertainty coming from US tariffs, along with interest rates hikes, reduced consumer confidence, heightened uncertainties in global environment and worsened market sentiment amidst the Russia-Ukraine war, Israeli-Palestinian conflict and trade tensions. The trade barriers will have a ripple effect along entire supply chains and further destabilize international markets and may introduce risk of recession. Moreover, our industry may still have to suffer from impact of Los Angeles' historic wildfires on production which could further undercut filming in the short term.

The Group will therefore take a conservative approach on its future operation and expansion plans. In this rapidly evolving entertainment landscape with the rise of streaming platforms and social media, the Group believes that although cinemas remains a unique form of entertainment experience for moviegoers, we have to continue to introduce wide variety of diversified contents and high quality services to develop our cinemas into integrated lifestyle hubs as an entertainment destination for consumers. We will prudently seek for suitable investment opportunities in the region that will achieve synergies to the Group's existing businesses and add values to our shareholders.

Following the Disposal, the Group will lease back the Property and continue to operate the Group's cinema out of the Property for a further period of 18 months. As such, the financial and trading prospects of the Group are expected to remain stable during this period. The Group anticipates a modest growth in light of the ongoing consolidation of cinemas in the Singapore market since 2022. Several cinema operators have exited or closed some of their sites, which resulted in a reduction in overall seat supply. This presents an opportunity for stronger players like the Group to capture greater market share and optimise site performances. As disclosed in the announcement of the Company dated 27 June 2025, the Company ceased all cinema operations in Hong Kong following the termination of the leases of the cinemas by 29 June 2025. The Group will focus on developing the Singapore market, which has been the main revenue contributor to the Group.

The Group's remaining portfolio continues to benefit from their prime locations and the loyal customer bases, coupled with prudent cost management and strategic programming, the Group is well-positioned to sustain healthy margins and improve operating efficiency. In summary, the Group remains financially resilient and operationally sound, with positive prospects for steady performance and growth as the local cinema landscape continues to consolidate.

The Group's existing cinema network under the name of "GV" (which consists of over 100 auditoriums) operates under a regular maintenance and replacement programme, pursuant to which, cinema equipment that reaches its end of service life will be replaced. Cinema equipment that is still in good operating conditions after the end of the leaseback period will be re-deployed to other cinemas of the Group and replace any malfunctioning equipment to save replacement costs of the Group.

## 6. MANAGEMENT DISCUSSION AND ANALYSIS OF THE REMAINING GROUP

### Financial Performance

For the year ended 31 December 2024, the Remaining Group recorded revenue from continuing operations of HK\$734.3 million, representing a decrease of approximately 7% compared to HK\$792.8 million in 2023. The decline was primarily attributable to a reduction in total admissions and lower average ticket prices. Gross profit decreased by 7% to HK\$484.2 million.

Loss attributable to equity holders for the year ended 31 December 2024 amounted to HK\$242.6 million (compared to HK\$90.4 million for the year ended 31 December 2023), mainly due to impairment losses recognised on cinema-related assets and reduced consolidated gross profit.

Reference is made to the announcement of the Company dated 27 June 2025 in relation to, amongst others, the cessation of the Group's cinema operations in Hong Kong. As a result of the cessation and on the basis of the Group's financial information for the year ended 31 December 2024, the Group expects that (1) its segmental revenue will decrease by approximately HK\$148,215,000; (2) its reportable segmental loss will decrease by approximately HK\$23,810,000; (3) its other property, plant and equipment and right-of-use assets will decrease by approximately HK\$114,501,000; and (4) its lease liabilities will decrease by approximately HK\$139,122,000.

### Liquidity and Financial Resources

As at 31 December 2024, the Remaining Group maintained cash and bank balances of HK\$133.6 million (compared to HK\$160.3 million as at 31 December 2023). Net debt decreased significantly to HK\$36.4 million (compared to HK\$279.1 million as at 31 December 2023), reflecting repayment of bank borrowings and proceeds from the disposal of assets. The gearing ratio stood at 8.0%, and the net gearing ratio was 1.7% (compared to 12.8% and 8.1% as at 31 December 2023).

As at 31 December 2024, the Remaining Group has bank loan secured by two properties located in Singapore, and was also guaranteed by corporate guarantees from the Remaining Group.

As at December 2024, the banks loans of the Group were repayable as follows:

|                                  | <i>HK\$'000</i> |
|----------------------------------|-----------------|
| Within 1 year or on demand       | 13,965          |
| After 1 year but within 2 years  | 16,825          |
| After 2 years but within 5 years | 139,191         |



The Group regularly monitor its liquidity requirements and its relationship with finance providers, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

There is no material seasonality of borrowing requirements for the Group.

### **Significant Investments**

During the year ended 31 December 2024, the Remaining Group did not hold any significant investments. The Group had no future plans for material investments or capital assets and their expected sources of funding.

### **Capital Structure**

As at 31 December 2024, the share capital of the Company comprised only of ordinary shares.

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its gearing structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the gearing structure in light of changes in economic conditions.

The Group monitors its gearing structure calculated on the basis of external borrowings, which includes bank loans and lease liabilities.

### **Foreign Currency Exposure**

The Remaining Group's assets and liabilities are primarily denominated in Hong Kong dollars, Singapore dollars, Renminbi, and United States dollars. The Group's loan was denominated in Singapore dollars as at 31 December 2024.

The currencies giving rise to foreign currency risk are primarily Renminbi and Singapore dollars. Management of the Group continuously monitors the Group's exposure to such foreign currency risks to ensure they are at manageable levels.



The following table details the Group's exposure as at 31 December 2024 to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purpose, the amount of exposure are shown in original currencies.

|                                    | <b>Renminbi</b> | <b>Singapore</b> |
|------------------------------------|-----------------|------------------|
|                                    | <b>'000</b>     | <b>dollars</b>   |
|                                    |                 | <b>'000</b>      |
| Deposits and cash                  | 1,287           | 83               |
| Other payables and accrued charges | (312)           | —                |
| Intercompany balance               | 278,085         | (27,663)         |
| Net exposure to currency risk      | 279,060         | (27,580)         |

The Group will continue to assess the exchange risk exposure, and will consider possible hedging measures in order to minimise the risk at reasonable cost.

### Interest Rate Profile

The following table details the interest rate profile of the Group's borrowings and derivative financial instrument as at 31 December 2024.

|   | <i>Effective rate</i> |                 |
|---|-----------------------|-----------------|
|   | <i>%</i>              | <i>HK\$'000</i> |
| <b>Fixed rate borrowings:</b>           |                       |                 |
| Lease liabilities                       | 2.38%–4.85%           | 398,826         |
| <b>Variable rate borrowings:</b>        |                       |                 |
| Bank loans                              | 4.32%–4.38%           | 169,981         |
| <b>Derivative financial instrument:</b> |                       |                 |
| Interest rate swap                      | 2.95%                 | 507             |

The Group manages its interest rate risk exposures in accordance with defined policies through regular review with a focus on reducing the Group's overall cost of funding as well as having regard to the floating/fixed rate mix appropriate to its current business portfolio. The Group also entered into an interest rate swap agreement during the year ended 31 December 2024 to manage its exposure to changes in interest rates. The swap has a notional amount of Singapore dollars 15 million and matures over the next 2 years.

**Contingent Liabilities**

At 31 December 2024, the Company has issued guarantees to banks in respect of banking facilities granted to certain subsidiaries amounting to HK\$200.2 million (compared to HK\$511.1 million as at 31 December 2023).

**Charges on Assets**

At 31 December 2024, the Group's bank loan was secured by two properties of a subsidiary located in Singapore, and was guaranteed by corporate guarantees from the Company.

Save as aforesaid, there were no material charges on assets as at 31 December 2024.

**Employees and Remuneration Policy**

As at 31 December 2024, the Remaining Group employed 244 permanent staff (compared to 441 as at 31 December 2023). Remuneration packages are determined with reference to market practices and individual performance, and include salaries, commissions, discretionary bonuses, and share options. The Group operates a defined contribution retirement scheme under the Mandatory Provident Fund Schemes Ordinance.

**Material Acquisitions and Disposals**

During the year, the Group disposed of its interest in Vie Show and the 360 stage operations. The disposal of Vie Show resulted in a net gain of HK\$285.6 million and the realisation of exchange reserve of HK\$8.7 million. The disposal of the 360 stage operations resulted in a net gain of HK\$35,000 and the realisation of exchange reserve of HK\$4.6 million.

**Future Plans for Material Investments**

The Group will take a conservative approach on its future operation and expansion plans.

For its distribution business, the Group will look for investment opportunities in quality film distribution projects in the territory with a conservative approach. The Group will also explore all possible options to minimise the Group's operating loss from Hong Kong region.

For the production sector, the Group continued to remain prudent in investment decisions in film productions but is keen to work with external studios for redevelopment of the Group's classical Chinese film library into online moves and other film derivative arts. The Group remained active in seeking production and investment opportunities to work with local and overseas studios for movies and TV programmes of high quality.

In Hong Kong, the Group will be prudent in operation decisions given the interest rate hikes, worsened market sentiments and global conflict are still creating uncertainties to the economy, making consumers cautious with their spending.

In Singapore, the Group will continue to look for expansion opportunities only when the return is attractive whilst balancing the investment risk. The Group will continue to gradually convert its existing cinemas into integrated lifestyle hubs and introduce creative product offerings such as toys merchandise to its customers.

*The following is the text of a valuation report prepared for the purpose of incorporation in this circular received from Knight Frank Petty Limited, an independent valuer, in connection with the valuation of the Property to be disposed by the Group as at 28 May 2025.*



Knight Frank Petty Limited

4/F, Shui On Centre

6–8 Harbour Road

Wanchai, Hong Kong

30 May 2025

The Board of Directors

Orange Sky Golden Harvest Entertainment (Holdings) Limited

Unit 2101, YF Life Tower

33 Lockhart Road, Wan Chai

Hong Kong

Dear Sirs

**VALUATION OF 51 YISHUN CENTRAL 1 #02-01 GOLDEN VILLAGE YISHUN TEN SINGAPORE 768794 (THE “PROPERTY”)**

In accordance with the instruction to us from Orange Sky Golden Harvest Entertainment (Holdings) Limited (hereinafter referred to as the “**Company**”) to value the Property, we confirm that we have made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property in its existing state as at 28 May 2025 (the “**Valuation Date**”) for public disclosure purposes.

**Basis of Valuation**

In arriving at our opinion of the market value, we followed “The HKIS Valuation Standards” issued by The Hong Kong Institute of Surveyors (“**HKIS**”), “The RICS Valuation — Global Standards” issued by the Royal Institution of Chartered Surveyors (“**RICS**”) and the Singapore Institute of Surveyors and Valuers (“**SISV**”) Valuation Standards and Practice Guidelines. Under the said standards, Market Value is defined as:

*“the estimated amount for which an asset or liability should exchange on valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.*

Market Value is also understood as the estimated exchange price of an asset without regard to the seller's costs of sale or the buyer's costs of purchase and without adjustment for any taxes payable by either party as a direct result of the transaction.

Market Value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as a typical financing, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

Our valuation complies with the requirements set out in "The HKIS Valuation Standards" issued by HKIS and "RICS Valuation — Global Standards" issued by RICS, "The Valuation Standards and Practice Guidelines" issued by SISV and Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**").

Our valuation is based on 100% of the leasehold interest in the Property.

Our valuation is prepared on the basis that the Property is in its existing physical state, subject to the proposed leaseback terms and conditions for 18 months and without taking into account any potential redevelopment sale value, as at the Valuation Date.

### **Valuation Methodology**

Our valuation has been undertaken using appropriate valuation methodology and our professional judgement. In arriving at the market value of the Property, we have considered the Market Approach and Income Approach.

#### *Market Approach*

Under this approach, the direct comparison method is commonly used. This method is adopted based on the collation and analysis of appropriate comparable transactions. To ensure the fairness and reasonability of our valuation, we have made appropriate adjustments to reflect the differences between the Property and the selected comparable properties. The adjustments considered include tenure, location, age/condition, size, type of development, floor level, usage, date of sale, and other material factors.

#### *Income Approach*

Under this approach, the Capitalisation Method is adopted. In the Capitalisation Method, the proposed leaseback gross rent for 18 months and reversionary estimated market gross rent have been adjusted to reflect anticipated operating expenses, ongoing vacancy/bad debts allowance, and property tax, where appropriate, producing a net income.

The net income of the Property is capitalised for the leaseback term and for the balance of the remaining tenure upon the expiry of the leaseback term, at a yield rate which is appropriate for the type of use, tenure and reflective of the quality of the investment, based on analysis of yields reflected in the sales of comparable property types.

### **Expertise**

The valuer, on behalf of Knight Frank Petty Limited, with the responsibility for this report is Jennifer Ip MRICS RICS Registered Valuer who has about 15 years of valuation experience. We confirm that the valuer meets the requirements of HKIS Valuation Standards and the RICS Valuation — Global Standards, having sufficient current knowledge of the particular market and the skills and understanding to undertake the valuation competently. Our valuation is prepared in an unbiased and professional manner.

### **Valuation Assumptions and Conditions**

Our valuation is subject to the following assumptions and conditions:

#### *Title Documents and Encumbrances*

We have conducted relevant land search from the Singapore Land Authority. We have not, however, examined the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies handed to us. In our valuation, we have assumed a good and marketable title and that all documentation is satisfactorily drawn. We have also assumed that the Property is not subject to any unusual or onerous covenants, restrictions, encumbrances or outgoing. These assumptions are considered valid by the Company.

#### *Disposal Costs and Liabilities*

No allowance has been made in our report for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale.

#### *Sources of Information*

We have relied to a very considerable extent on information given by the Company and have accepted advice given to us such as floor areas, tenure, proposed leaseback terms and conditions and all other relevant matters. We have not verified the correctness of any information, whether in writing or verbally by yourselves, your representatives or by your legal or professional advisers or by any (or any apparent) occupier of the Property or contained on the register of title. We assume that this information is complete and correct. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company which is material to the valuations. We were also advised by the Company that no material facts have been omitted from the information provided.

*Inspection*

We have inspected the Property on 19 May 2025. Inspection of the Property was undertaken by Ms. Chiam Tok Ling MSISV Registered Valuer, who has more than 30 years of experience in valuing properties in Singapore. Nevertheless, we have assumed in our valuation that the Property was in satisfactory order without any unauthorized extension or structural alterations or illegal uses as at the Valuation Date, unless otherwise stated.

*Identity of the Property to be Valued*

We have exercised reasonable care and skill to ensure that the Property, identified by the Property address in your instructions, is the Property inspected by us and contained within our valuation report. If there is ambiguity as to the property address, or the extent of the Property to be valued, this should be drawn to our attention in your instruction or immediately upon receipt of our report.

*Property Insurance*

We have valued the Property on the assumption that, in all respects, it is insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

*Areas and Age*

We have not carried out on-site measurements to verify the correctness of the floor area of the Property but have assumed that the floor area shown on the documents available to us are correct. Dimensions, measurements and areas included in the valuation report are based on information provided to us and are, therefore, only approximations, unless stated otherwise.

*Structural and Services Condition*

We have carried out a visual inspection only without any structural investigation or survey. During our limited inspection, we did not inspect any inaccessible areas. We are unable to confirm whether the Property is free from urgent or significant defects or items of disrepair, or any deleterious materials have been used in the construction of the Property. Our valuation has therefore been undertaken on the assumption that the Property was in satisfactory condition and contains no deleterious materials and it is in sound order and free from structural faults, rot, infestation or other defects.

*Ground Condition*

We have assumed there to be no unidentified adverse ground or soil conditions and that the load bearing qualities of the site of the Property are sufficient to support the building constructed or to be constructed thereon; and that the services are suitable for any existing or future development. Our valuation is therefore prepared on the basis that no extraordinary expenses or delays will be incurred in this respect.

*Environmental Issues*

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect the potential of contamination, our valuation is prepared on the assumption that the Property is unaffected. Where contamination is suspected or confirmed, but an adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

*Compliance with Relevant Ordinances and Regulations*

We have assumed the Property was constructed, occupied, and used in full compliance with, and without contravention of any ordinance, statutory requirement and notices except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licenses, permits, certificates, consents, approvals, and authorisation have been obtained, expected only where otherwise stated.

**Remarks**

In accordance with our standard practice, we must state that this report and valuation is for the use of the party to whom it is addressed, and no responsibility is accepted to any third party for the whole or any part of its contents. We do not accept liability to any third party or for any direct or indirect consequential losses or loss of profits as a result of this report.

We have prepared the valuation based on information and data available to us as at the Valuation Date. It must be recognised changes in policy direction, mortgage requirements, social and international tensions could be immediate and have sweeping impact on the real estate market apart from typical market fluctuation. It should therefore be noted that any market, policy, geopolitical or social changes or other unexpected incidents after the Valuation Date may affect the value of the Property.



**Currency**

Unless otherwise stated, all money amounts stated in our valuations are in Singapore Dollars (S\$).

**Area Conversion**

The area conversion factors in this report are taken as follows:

1 square metre (sq. m.) = 10.7639 square feet (sq. ft.)

*We enclose herewith our valuation report.*

Yours faithfully  
For and on behalf of  
**Knight Frank Petty Limited**

**Jennifer Ip**

*MRICS RICS Registered Valuer  
Senior Director, Valuation & Advisory*

**Cyrus Fong**

*FRICS FHKIS MCIREA RPS(GP) RICS Registered Valuer  
Executive Director, Head of Valuation &  
Advisory, Greater China*

*Note:* Ms. Jennifer Ip is a qualified valuer who has about 15 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong, Asia Pacific region and Canada for various valuation purposes.

Mr. Cyrus Fong is a qualified valuer who has about 15 years of extensive experiences in valuation of properties including development sites, residential, commercial, industrial properties in Hong Kong, Asia Pacific region for various valuation purposes.

## PROPERTY TO BE SOLD BY THE GROUP

## VALUATION

| Property Interest   | Description and tenure   | Particulars of occupancy  | Market value in existing state as at 28 May 2025   |
|---|--|---|--|
| 51 Yishun Central 1 #02-01, Singapore 768794 (the “Property”) | <p>The Property is bounded by Yishun Central/Yishun Central 1, off Yishun Avenue 2, approximately 18.5 km from the City Centre. It is located next to Northpoint City (North Wing) and within walking distance to the Yishun MRT station and Yishun Bus Interchange.</p> <p>The Property comprises a 1,477-seat cineplex (10 cinema halls) located on the 2nd to 4th storeys (with a ticketing kiosk on the 1st storey) of a 4-storey shopping-cum-entertainment complex (with 3 basement levels) known as Golden Village — Yishun Ten.</p> <p>As per information provided by the Company, the Temporary Occupation Permit was issued on 25 May 1992 and the Property was renovated at an approximate cost of S\$5.0 million in 2010.</p> <p>According to the information from Subsidiary Strata Certificate of Title from the Singapore Land Authority, the Strata Floor Area (SFA) is 8,449.0 sq. m. (90,944 sq ft), including accessory lot of 30.0 sq. m. (323 sq. ft.).</p> <p>According to the Subsidiary Strata Certificate of Title, the tenure is leasehold 99 years commencing 1 April 1990. As at the Valuation Date, the balance lease term was about 63.8 years. Based on information provided by the Company, there is no annual land rent payable.</p> <p>The Property will be sold on an “as-is” basis, subject to the proposed leaseback terms and conditions for 18 months and without taking into account any potential redevelopment sale value.</p> | <p>As of the Valuation Date, the Property is operated by the owner.</p> | <p>S\$48,000,000 (Singapore Dollars Forty-Eight Million Only)</p> <p>SUBJECT TO THE PROPOSED LEASEBACK TERMS AND CONDITIONS FOR 18 MONTHS AND WITHOUT TAKING INTO ACCOUNT ANY POTENTIAL REDEVELOPMENT SALE VALUE</p> |

*Notes:*

- (1) This valuation was conducted in collaboration with Knight Frank Singapore, which includes two licensed local valuers holding License Nos AD041–2008950C and AD041–2004449G registered with the Inland Revenue Authority of Singapore. They bring extensive experience of 20 to 30 years in property valuation and consultancy in Singapore.
- (2) Pursuant to the Subsidiary Strata Certificate of Title records obtained from the Singapore Land Authority, the registered owner of the Property as at the Valuation Date is Golden Village Multiplex Pte. Ltd., a wholly owned subsidiary of Orange Sky Golden Harvest Entertainment (Holdings) Limited.
- (3) According to the 2019 Edition of Master Plan, the Property falls within the “Commercial” zoning.
- (4) The Property is subject to the following encumbrance:
  - (i) Mortgage IJ/741293U dated 7 November 2024.
- (5) A private title search was made at the Singapore Titles Automated Registration System from Singapore Land Authority on 21 May 2025. Brief particulars of the title are as follows:

Legal Description : Strata Lot No. U46662M Accessory Lot No. A1W Mukim 19

Tenure : Leasehold 99 years commencing from 1 April 1990 (Balance of about 63.8 years)

Strata Floor Area : 8,449.0 sq. m. including accessory lot of 30.0 sq. m. and void area of 4,594.0 sq. m.
- (6) As per the information provided by the Company, the Property will be leased back to Golden Village Multiplex Pte. Ltd. upon the sale of the Property. The leaseback term shall be 18 months from the date of legal completion of the Sale and Purchase. Reference was made to the Company’s forecasted ticket sales revenue when determining the monthly leaseback rent. Total ticket sales revenue in 2025 is forecasted at approximately S\$7,000,000. Hence, the projected ticket sales per month is estimated at approximately S\$600,000 and the monthly leaseback rent shall be 10% of the operator’s ticket sales, which is estimated to be about S\$60,000 per month.
- (7) Our valuation has been undertaken using appropriate valuation methodology and our professional judgement. We have considered various valuation methods in valuing the Property. The Direct Comparison Method and the Capitalisation Method were adopted as the most appropriate valuation methods for the Property.
- (8) For valuation by the Direct Comparison Method, we have identified and analyzed various relevant sales transactions of large-sized retail properties within the last 12 months. In Singapore, large-sized retail properties are generally recognized by the Urban Redevelopment Authority as being more than 930 sq. m. or 10,000 sq. ft. The main selection criteria are property type, size, and transaction timing. The adopted comparables are retail properties transacted from June 2024 to January 2025 and deemed appropriate and representative. Due to the lack of recent large-sized retail sales transactions, we have included a sale transaction of a property of freehold tenure.

The sales transactions are shown below:

|   | COMPARABLE 1   | COMPARABLE 2   | COMPARABLE 3  |
|---|--|--|---|
| <b>PROJECT INFORMATION</b>                  |  |  |   |
| <b>Address</b>                              | <b>400 Orchard Road #04-31/32/33/34/35/36 Orchard Towers</b>               | <b>24 Tanah Merah Kechil Link Sceneca Square</b>                         | <b>380 to 400, 422 to 484 (even nos) Upper Bukit Timah Road The Rail Mall</b> |
| <b>Type</b>                                 | six strata units at 4th storey   | single-storey mall within a shop-cum-apartment development               | single-storey retail strip mall   |
| <b>Tenure</b>                               | Freehold   | Leasehold 99 years with effect from 1 February 2021                      | Leasehold 99 years with effect from 18 March 1947                             |
| <b>Effective Floor Area (EFA) (sq.m.)</b>   | 1,792.0  | 1,881.0  | 4,634.6   |
| <b>Estimated Year of Completion</b>         | 1975   | 2026   | 1995  |
| <b>Contract Date</b>                        | 01/2025  | 09/2024  | 06/2024   |
| <b>Contract Price S\$</b>                   | \$54,500,000   | \$64,000,000   | \$78,500,000  |
| <b>Contract Price S\$per sq.m. over EFA</b> | \$30,413   | \$34,024   | \$16,938  |
| <b>ADJUSTMENT FACTORS</b>                   |  |  |   |
| <b>Time</b>                                 | similar to the property  | Upward adjustment using URA Property Price Index (Retail) as a guide     | Upward adjustment using URA Property Price Index (Retail) as a guide          |
| <b>Size</b>                                 | Downward adjustment as subject size is almost double the comparable size   | Downward adjustment as subject size is almost double the comparable size | Upward adjustment as subject size is smaller                                  |
| <b>Floor Level</b>                          | Upward adjustment as comparable is at 4th storey                           | Downward adjustment as comparable is at 1st storey                       | Downward adjustment as comparable is at 1st storey                            |
| <b>Tenure</b>                               | Downward adjustment as subject tenure is shorter                           | Downward adjustment as subject tenure is shorter                         | Upward adjustment as subject tenure is longer                                 |
| <b>Age</b>                                  | Upward adjustment as subject is newer                                      | Downward adjustment as subject is older                                  | Downward adjustment as subject is older                                       |
| <b>Location</b>                             | Downward adjustment as subject location is inferior to comparable location | Upward adjustment as subject location is superior to comparable location | Downward adjustment as subject location is inferior to comparable location    |
| <b>Usage</b>                                | Downward adjustment as subject is a cineplex                               | Downward adjustment as subject is a cineplex                             | Downward adjustment as subject is a cineplex                                  |

|  | COMPARABLE 1   | COMPARABLE 2            | COMPARABLE 3   |
|--|--|-------------------------|--|
| <b>Development</b>                       | Downward adjustment as subject development is inferior to comparable development | similar to the property | Downward adjustment as subject development is inferior to comparable development |
| <b>Leaseback deduction for 18 months</b> | Downward adjustment  | Downward adjustment     | Downward adjustment  |
| <b>Total % Adjustments</b>               | -57%   | -73%                    | -7%  |
| <b>Final Adjusted (\$per sq.m./EFA)</b>  | \$13,206   | \$9,253                 | \$15,816   |

*Source: REALIS/As reported*

We have taken into consideration the current market conditions and adjustments were made, where appropriate, for differences in date of sale, size, tenure, location, age/condition, floor level, usage and type of development, before arriving at the market value of the Property.

The adjusted unit rates of the comparables range from S\$9,253 to S\$15,816 per sq. m. over Effective Floor Area (EFA). We have adopted an equal weightage for each of the comparable to arrive at the market value of the Property of S\$49,200,000, which is equivalent to an average unit rate of approximately S\$12,763 per sq. m. over the EFA.

- (9) For valuation by the Capitalisation Method, we have adopted the proposed leaseback gross rent of about S\$60,000 per month or S\$15.56 per sq. m. per month over the EFA, for 18 months. The leaseback rent accounts for anticipated operating expenses and property tax, resulting in a net income. The net income of the Property is capitalised for the leaseback term at a yield rate which is appropriate for the type of use, tenure and reflective of the quality of the investment, based on analysis of yields reflected in the sales of other property types.

Upon expiry of the leaseback term, the reversionary net income is capitalised at a suitable rate of return for the balance lease term. The reversionary net income is the balance sum after deducting anticipated operating expenses, property tax, a percentage for vacancy and bad debts allowances, from the estimated reversionary gross rent of the Property.

The estimated reversionary gross rent takes into consideration the estimated market gross rent. We have adopted an estimated reversionary market gross rent of approximately S\$64.58 per sq. m. per month over the EFA, which is supported by the rents of similar properties in other locations.

Based on our market research and analysis, we estimate a reasonable capitalisation rate range for the Property to be between 3.75% to 4.25%. This range reflects current market conditions, the Property's location, and its overall performance. For the valuation, a capitalisation rate of 4.00% has been adopted, as it is deemed appropriate given the Property's specific characteristics and its position within the broader market.

The derived value of the Property based on the Capitalisation Method is S\$47,400,000 or a unit rate of S\$12,296 per sq. m. over EFA of 3,855.0 sq. m..

- (10) Valuation Reconciliation

In assessing Market Value, the appropriate method of assessment is considered to be via reconciliation between the Direct Comparison Method and the Capitalisation Method. Based upon the analysis, a value of S\$48,000,000 (exclusive of GST) has been adopted, based on equal weighting of Direct Comparison Method and the Capitalisation Method.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS IN SECURITIES

### Interests and short positions of Directors and the chief executives in Shares, underlying Shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning in Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of SFO); (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, were as follows:

#### (a) Long positions in the Shares of the Company

| Name of Director/<br>Chief Executive | Capacity                                  | Note | Number of<br>Shares held | Number of Shares                  |   | *Approximate<br>percentage of<br>Shares and<br>underlying<br>Shares in the<br>issued share<br>capital of the<br>Company |
|--------------------------------------|---|------|--------------------------|-----------------------------------|---|---|
|                                      |   |      |                          | Number of<br>underlying<br>Shares | Total number of<br>Shares and<br>underlying<br>Shares |   |
| Wu Kebo                              | Interest of<br>controlled<br>corporations | 1    | 1,998,578,497 (L)        | —                                 | 1,998,578,497 (L)                                     | 71.39%  |
| Leung Man Kit                        | Beneficial owner                          |      | 370,000 (L)              | —                                 | 370,000 (L)   | 0.01%   |
| Wong Sze Wing                        | Beneficial owner                          |      | 170,000 (L)              | —                                 | 170,000 (L)   | 0.01%   |

Abbreviations: "L" stands for long position

Note:

\* Such percentages have been compiled based on the total number of Shares in issue (i.e. 2,799,669,050) as at the Latest Practicable Date

- By virtue of the SFO, Mr. Wu Kebo was deemed to be interested in a total of 1,998,578,497 Shares, of which (i) 565,719,948 Shares were held by Orange Sky Entertainment Group (International) Holding Company Limited (a company which is 80% owned by Mr. Wu Kebo); and (ii) 1,432,858,549 Shares were held by Mainway Enterprises Limited (a company wholly owned by Mr. Wu Kebo).

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning in Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of SFO); (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Model Code for Securities Transactions by Directors of Listed Issuers contained the Listing Rules.

*(b) Notifiable interests and short positions of substantial shareholders and other persons in Shares and underlying Shares*

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company in accordance with disclosure by the substantial shareholders under Part XV of the SFO, the following persons, other than the Directors and chief executive of the Company, had an interest or a short position in Shares or underlying Shares which would fall to be disclosed to the Company under section 336 of the Part XV of the SFO:

| Name of substantial shareholders                                       | Capacity                            | Note | Number of Shares held | Number of underlying Shares | Total number of Shares and underlying Shares | *Approximate percentage of Shares and underlying Shares in the issued share capital of the Company |
|--|-------------------------------------|------|-----------------------|-----------------------------|--|--|
| Wu Kebo  | Interest of controlled corporations | 1    | 1,998,578,497 (L)     | —                           | 1,998,578,497 (L)                            | 71.39%   |
| Orange Sky Entertainment Group (International) Holding Company Limited | Beneficial owner                    | 2    | 565,719,948 (L)       | —                           | 565,719,948 (L)                              | 20.21%   |
| Mainway Enterprises Limited  | Beneficial owner                    | 3    | 1,432,858,549 (L)     | —                           | 1,432,858,549 (L)                            | 51.18%   |

*Abbreviations:* “L” stands for long position

*Notes:*

- \* Such percentages have been compiled based on the total number of Shares in issue (i.e. 2,799,669,050) as at the Latest Practicable Date
- 1. By virtue of the SFO, Mr. Wu Kebo was deemed to be interested in a total of 1,998,578,497 Shares, of which (i) 565,719,948 Shares were held by Orange Sky Entertainment Group (International) Holding Company Limited (a company which is 80% owned by Mr. Wu Kebo); and (ii) 1,432,858,549 Shares were held by Mainway Enterprises Limited (a company wholly owned by Mr. Wu Kebo).
- 2. Orange Sky Entertainment Group (International) Holding Company Limited (a company which is 80% owned by Mr. Wu Kebo) was interested in 565,719,948 Shares. Mr. Wu Kebo is a director of Orange Sky Entertainment Group (International) Holding Company Limited and Mr. Li Pei Sen is the associate Chairman of Orange Sky Entertainment Group (International) Holding Company Limited.
- 3. Mainway Enterprises Limited is wholly owned by Mr. Wu Kebo, who is also a director of Mainway Enterprises Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executive of the Company were not aware of any person, other than the Directors or chief executive of the Company, who had an interest or a short position in Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and was required to be notified to the Company pursuant to Section 336 of Part XV of the SFO.

### **3. DISCLOSURE OF OTHER INTERESTS OF THE DIRECTORS**

#### **(a) Competing interests**

As at the Latest Practicable Date, none of the Directors and their respective associates were interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

#### **(b) Interests in contracts, arrangements and assets**

As at the Latest Practicable Date,

- (i) none of the Directors had any direct or indirect interest in any assets which have been, since the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to, the Company or any of its subsidiaries; and
- (ii) none of the Directors is materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the date of this circular and which is significant in relation to the business of the Group.



#### 4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has any service contract with any member of the Group which will not expire or be terminable by the Group within one year without payment of compensation (other than statutory compensation).

#### 5. MATERIAL CONTRACTS

The following contract(s) (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) the Sale and Purchase Agreement.

#### 6. CLAIMS AND LITIGATION

On 4 September 2018, the Company announced that Giant Harvest Limited ("**Giant Harvest**"), the indirect wholly-owned subsidiary of the Company, has commenced legal proceedings against True Vision Limited ("**True Vision**") and Nan Hai Corporation Limited ("**Nan Hai**") claiming a sum of US\$37,383,975 (the "**Third Guarantee Amount**"), being the balance of the total consideration under the sale and purchase agreement dated 25 January 2017 entered into between Giant Harvest, the Company, True Vision and Nan Hai in respect of the disposal of the entire issued share capital of City Entertainment Corporation Limited ("**City Entertainment**") by Giant Harvest to True Vision (the "**CE Sale and Purchase Agreement**"), and seeking other remedies, including interest and costs.

Pursuant to the CE Sale and Purchase Agreement, on the next business day following six months from the closing date, the Third Guarantee Amount shall be transferred from an escrow account designated by Giant Harvest and True Vision which was operated by an escrow agent (the "**Joint Account**"), to the offshore bank account designated by Giant Harvest (the "**Offshore Bank Account**"). As True Vision did not execute the joint written instructions to the escrow agent of the Joint Bank Account (the "**Joint Instruction**") for the purpose of instructing to transfer the Third Guarantee Amount to the Offshore Bank Account, the escrow agent was unable to pay the Third Guarantee Amount to Giant Harvest. Despite repeated demands made by Giant Harvest, True Vision failed to execute the Joint Instruction to enable the escrow agent to pay the Third Guarantee Amount to Giant Harvest. Giant Harvest subsequently demanded Nan Hai, the guarantor of True Vision, to perform the obligations of True Vision by paying the Third Guarantee Amount to Giant Harvest, but Nan Hai has failed to perform such payment obligation.

Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that even if the claims are found to be valid, there will be no material adverse effect on the financial position of the Group.

As at the Latest Practicable Date, save as disclosed above, neither the Company nor any member of the Group was engaged in any litigation or arbitration of material importance and there was no other litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against the Company or any member of the Group.

## 7. EXPERTS' QUALIFICATIONS AND CONSENTS

The following are the qualifications of the expert who have given its opinions or advice which are included in this circular:

| Name                       | Qualifications                  |
|----------------------------|---------------------------------|
| Knight Frank Petty Limited | Independent Professional Valuer |

As at the Latest Practicable Date, the Valuer did not have any shareholding, direct or indirect, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the Valuer had given and had not withdrawn its written consent to the issue of this circular, with the inclusion herein of the references to its name and/or its opinion or statements in the form and context in which they respectively appear.

As at the Latest Practicable Date, the Value did not have any direct or indirect interest in any assets which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2024, the date to which the latest published audited consolidated financial statements of the Group were made up.

## 8. GENERAL

- (i) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (ii) The principal place of business of the Company in Hong Kong is at Unit 2101, YF Life Tower, 33 Lockhart Road, Wan Chai, Hong Kong.
- (iii) The Hong Kong branch share registrar and transfer office of the Company is Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (iv) The company secretary of the Company is Ms. Cheung Hei Ming, an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators respectively.

- (v) The English texts of this circular shall prevail over the Chinese texts in the case of any inconsistency.

## **9. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on both the Stock Exchange's website (<http://www.hkexnews.hk>) and the Company's website (<http://www.osgh.com.hk>) for a period of 14 days from the date of this circular:

- (i) the Sale and Purchase Agreement;
- (ii) the Lease Agreement;
- (iii) the valuation report issued by Knight Frank Petty Limited dated 30 May 2025 as appended to this circular as Appendix II; and
- (iv) the written consent from Knight Frank Petty Limited as referred to in the paragraph headed "7. EXPERTS' QUALIFICATIONS AND CONSENTS" in this Appendix III.

## NOTICE OF SPECIAL GENERAL MEETING



Golden Harvest

### ORANGE SKY GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED

橙天嘉禾娛樂(集團)有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1132)

**NOTICE IS HEREBY GIVEN THAT** a special general meeting (the “SGM”) of Orange Sky Golden Harvest Entertainment (Holdings) Limited (the “**Company**”) will be held at Star Room, 1/F, Ying’nFlo, Wesley Admiralty, 22 Hennessy Road, Wan Chai, Hong Kong on Thursday, 7 August 2025 at 5:00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions of the Company.

### ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the sale and purchase agreement dated 2 June 2025 (the “**Sale and Purchase Agreement**”) entered into by Golden Village Multiplex Pte Ltd (the “**Vendor**”) and Lion (Singapore) Pte. Limited (the “**Purchaser**”), pursuant to which, among others, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the property (the “**Property**”) located at 51 Yishun Central 1 #02–01 Singapore 768794 and the transactions contemplated thereunder be and are ratified, confirmed and approved and any directors of the Company (the “**Directors**”) be and are hereby authorised to do all such acts and things and execute all such documents which they consider necessary, desirable or expedient for the implementation of and give effect to the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (b) any Director be and is/are hereby generally and unconditionally authorised to execute all such other documents, instruments and agreements (whether under common seal or not) and to do all such acts or things deemed by him/her/them to be incidental to, ancillary to or in connection with the matters contemplated in the Sale and Purchase Agreement and the transactions contemplated thereunder as he/she/they may in his/her/their absolute discretion consider necessary, desirable or expedient to give effect to the Sale and Purchase Agreement and the implementation of all transactions contemplated thereunder and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.”

By order of the Board  
**Orange Sky Golden Harvest  
Entertainment (Holdings) Limited**  
**Wu Kebo**  
*Chairman and Executive Director*

Hong Kong, 23 July 2025

\* For identification purposes only

## NOTICE OF SPECIAL GENERAL MEETING

*Principal place of business in Hong Kong:*

Unit 2101, YF Life Tower  
33 Lockhart Road  
Wan Chai  
Hong Kong

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Notes:*

- (1) Any member entitled to attend and vote at the meeting of the Company is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company but must attend the meeting in person to represent the appointing member.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorized to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
- (3) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.
- (4) Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (5) In the case of joint holders of a share, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand in the principal or branch register of members of the Company in respect of the joint holding.
- (6) For determining the entitlement to attend and vote at the SGM, the transfer books and register of members of the Company will be closed from Monday, 4 August 2025 to Thursday, 7 August 2025 both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for attending and voting at the SGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Friday, 1 August 2025. The record date for determining the eligibility for shareholders to attend and vote at the SGM is Thursday, 7 August, 2025.