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LUK HING ENTERTAINMENT GROUP HOLDINGS LIMITED

陸慶娛樂集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8052)

INSIDE INFORMATION

CESSATION OF OPERATION OF CLUB CUBIC MACAU

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the operation of Club Cubic Macau has been ceased with effect from 8 October 2021.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

This announcement is made by Luk Hing Entertainment Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Due to the outbreak of the COVID-19 pandemic, the operation of Club Cubic Macau has been materially and adversely impacted by lockdowns, closure of business and social distancing measures, resulting in revenue loss or slower revenue growth. The Board has taken measures continuously to closely monitor the efficiency and effectiveness of the operation of Club Cubic Macau and has constantly assessed the performance of this business. The Group had attempted to liaise with COD Resorts Limited (“**COD**”), the cooperation partner of Club Cubic Macau for rental reductions or concessions, but the result was not very fruitful.

Due to disputes between COD and the Group in relation to the operation of Club Cubic Macau at the Boulevard, City of Dreams, Macau, the Group would be unable to continue to operate Club Cubic Macau from 8 October 2021. The Group is seeking legal advices in relation to its rights over the aforesaid matter. The Group will also adopt a cautious and prudent approach and continue its operation of clubbing business in other venues depending on the market condition and the business environment.

Based on the interim report of the Company published on 13 August 2021, revenue generated from operation of the Club Cubic Macau accounted for approximately 17% of the Group's total revenue for the six-month period ended 30 June 2021. The Board emphasizes that the other businesses of the Group, including the clubbing business in Zhuhai, the PRC and restaurant business in Hong Kong remain in normal operation and are not affected by the aforementioned event. The Board is evaluating the effect of the aforementioned event on the financial position of the Group. The Group will take appropriate measures as necessary and make further announcement(s) as and when appropriate.

By order of the Board
Luk Hing Entertainment Group Holdings Limited
Choi Yiu Ying
Chairman and Chief Executive Officer

Hong Kong, 8 October 2021

As at the date of this announcement, the executive Directors are Mr. Choi Yiu Ying, Mr. Choi Siu Kit, and Mr. Yeung Chi Shing; the non-executive Directors are Mr. Au Wai Pong Eric and Mr. Au Ka Wai; and the independent non-executive Directors are Mr. Tang Tsz Tung, Mr. Chan Ka Yin and Mr. Tse Kar Ho Simon.

This announcement, for which all the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange 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 announcement 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 announcement misleading.

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk, in the case of the announcement, on the "Latest Listed Company Information" page of the GEM for 7 days from the day of its posting. This announcement will also be published on the Company's website at www.lukhing.com.