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If you are in any doubt as to any aspect of this document, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in Glorious Sun Enterprises Limited, you should at once hand this document, together with the accompanying proxy form, to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

GLORIOUS SUN ENTERPRISES LIMITED
旭日企業有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code : 393)

Executive Directors:
Dr. Charles Yeung, GBS, JP *(Chairman)*
Yeung Chun Fan, BBS *(Vice-chairman)*
Hui Chung Shing, Herman, GBS, MH, JP
Ms. Cheung Wai Yee
Yeung Yin Chi, Jennifer, JP

Independent Non-executive Directors:
Lau Hon Chuen, Ambrose, GBS, JP
Dr. Chan Chung Bun, Bunny, GBM, GBS, JP
Ng Wing Ka, Jimmy, BBS, JP
Choi Tak Shing, Stanley, JP

Registered Office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business:
38/F., One Kowloon
1 Wang Yuen Street
Kowloon Bay
Hong Kong

22 April 2025

To the shareholders of Glorious Sun Enterprises Limited

Dear Sir or Madam,

EXPLANATORY STATEMENT IN RELATION TO THE REPURCHASE MANDATE (AS HEREINAFTER DEFINED)

This is an explanatory statement given to all the shareholders of Glorious Sun Enterprises Limited (the “Shareholders”) (the “Company”) relating to an ordinary resolution to approve the general mandate to repurchase the Company’s securities (the “Repurchase Mandate”) to be proposed at the annual general meeting of the Company to be held on Monday, 19 May 2025.

(A) REPURCHASE MANDATE

(i) Share Capital

As at 10 April 2025, being the latest practicable date (the "Latest Practicable Date") prior to the printing of this document, the number of issued shares of the Company was 1,502,732,000 shares of HK$0.10 each, all of which are fully paid (the "Shares").

Subject to the passing of the ordinary resolution approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the annual general meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 150,273,200 Shares during the course of the period prior to the next annual general meeting. The Company may cancel any shares to be repurchased under the Repurchase Mandate and/or hold them as treasury shares, subject to market conditions and the capital management needs of the Company at the relevant time of such repurchase.

(ii) Reasons for Repurchases

The Directors believe that it is in the best interests of the Company and its shareholders to seek a general authority from shareholders to enable the Directors to repurchase Shares on the market. Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings and/or dividend per Share.

(iii) Funding of Repurchases

Repurchases must be funded out of funds which are legally available for the purpose in accordance with the Company's constitutive documents and Bermuda law, being capital paid up on the purchased Shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. Any premium payable on a purchase of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account. It is envisaged that the funds required for any repurchase would be derived from such sources.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. No material adverse impact on the working capital requirements or gearing levels of the Company (as compared with the position disclosed in the audited financial statements for the year ended 31 December 2024 contained in the Company's 2024 annual report) is anticipated in the event that the Repurchase Mandate is exercised in full.

(iv) Share Prices

During each of the twelve months preceding the Latest Practicable Date and the period from 1 April 2025 to the Latest Practicable Date, the highest and lowest prices at which the Shares were traded on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") were as follows:

	Shares	
	Highest	**Lowest**
	HK$	**HK$**
2024		
April	0.85	0.83
May	0.97	0.83
June	0.94	0.87
July	1.07	0.94
August	1.05	0.95
September	1.08	0.98
October	1.17	1.02
November	1.14	1.08
December	1.25	1.10
2025		
January	1.25	1.15
February	1.30	1.17
March	1.31	1.24
1 April to the Latest Practicable Date	1.28	1.14

(v) Repurchases of Shares

The Company has repurchased a total of 4,896,000 Shares on the Stock Exchange during the six months preceding the Latest Practicable Date. Details of the repurchases are disclosed as follows:

Date of Repurchase	**Number of Shares Repurchased**	**Repurchase Price Per Share Highest HK$**	**Repurchase Price Per Share Lowest HK$**
10 October 2024	52,000	1.04	1.04
14 October 2024	48,000	1.05	1.05
15 October 2024	40,000	1.04	1.04
16 October 2024	68,000	1.05	1.05
17 October 2024	136,000	1.05	1.04
18 October 2024	108,000	1.06	1.05
21 October 2024	52,000	1.06	1.06
22 October 2024	32,000	1.06	1.06
23 October 2024	40,000	1.04	1.04
24 October 2024	72,000	1.05	1.04
25 October 2024	48,000	1.05	1.05

Date of Repurchase	Number of Shares Repurchased	Repurchase Price Per Share	
		Highest HK$	Lowest HK$
28 October 2024	128,000	1.06	1.05
29 October 2024	76,000	1.07	1.06
30 October 2024	40,000	1.07	1.07
31 October 2024	52,000	1.09	1.09
1 November 2024	104,000	1.10	1.09
4 November 2024	72,000	1.12	1.11
5 November 2024	36,000	1.12	1.12
6 November 2024	32,000	1.11	1.11
7 November 2024	48,000	1.12	1.11
8 November 2024	36,000	1.11	1.11
11 November 2024	40,000	1.11	1.11
12 November 2024	52,000	1.10	1.10
13 November 2024	108,000	1.11	1.10
14 November 2024	100,000	1.11	1.10
15 November 2024	88,000	1.13	1.11
18 November 2024	40,000	1.14	1.13
19 November 2024	72,000	1.14	1.13
20 November 2024	60,000	1.14	1.14
21 November 2024	88,000	1.14	1.13
22 November 2024	100,000	1.14	1.13
25 November 2024	72,000	1.12	1.11
26 November 2024	68,000	1.13	1.12
27 November 2024	100,000	1.14	1.13
28 November 2024	80,000	1.14	1.14
29 November 2024	60,000	1.14	1.14
2 December 2024	132,000	1.13	1.12
3 December 2024	52,000	1.13	1.13
4 December 2024	92,000	1.13	1.13
5 December 2024	40,000	1.13	1.13
6 December 2024	48,000	1.15	1.15
9 December 2024	56,000	1.15	1.15
10 December 2024	64,000	1.15	1.15
11 December 2024	40,000	1.14	1.14
12 December 2024	52,000	1.15	1.15
13 December 2024	44,000	1.15	1.15
16 December 2024	60,000	1.16	1.16
18 December 2024	32,000	1.17	1.17
19 December 2024	48,000	1.16	1.16
20 December 2024	36,000	1.17	1.17
23 December 2024	72,000	1.18	1.17
24 December 2024	32,000	1.18	1.18
27 December 2024	32,000	1.18	1.18
30 December 2024	60,000	1.19	1.19
31 December 2024	20,000	1.24	1.24

Date of Repurchase	Number of Shares Repurchased	Repurchase Price Per Share Highest HK$	Lowest HK$
2 January 2025	40,000	1.24	1.22
3 January 2025	32,000	1.23	1.23
6 January 2025	40,000	1.24	1.23
7 January 2025	96,000	1.21	1.21
8 January 2025	60,000	1.22	1.22
9 January 2025	32,000	1.22	1.22
10 January 2025	116,000	1.21	1.20
13 January 2025	80,000	1.17	1.17
14 January 2025	48,000	1.19	1.17
15 January 2025	48,000	1.18	1.18
16 January 2025	48,000	1.21	1.21
17 January 2025	48,000	1.19	1.19
20 January 2025	44,000	1.20	1.20
21 January 2025	72,000	1.18	1.18
22 January 2025	40,000	1.19	1.19
23 January 2025	36,000	1.18	1.18
24 January 2025	128,000	1.20	1.19
4 February 2025	36,000	1.19	1.19
5 February 2025	40,000	1.19	1.19
6 February 2025	56,000	1.19	1.19
7 February 2025	88,000	1.19	1.19
10 February 2025	36,000	1.19	1.19
11 February 2025	48,000	1.20	1.20
13 February 2025	32,000	1.22	1.22
14 February 2025	28,000	1.22	1.22
17 February 2025	20,000	1.26	1.26
18 February 2025	28,000	1.28	1.28
19 February 2025	80,000	1.28	1.27
20 February 2025	40,000	1.30	1.30
21 February 2025	40,000	1.28	1.28
24 February 2025	28,000	1.28	1.28
31 March 2025	20,000	1.29	1.29
1 April 2025	80,000	1.28	1.27
2 April 2025	48,000	1.28	1.28
3 April 2025	76,000	1.27	1.27
7 April 2025	48,000	1.16	1.16
8 April 2025	36,000	1.18	1.18
9 April 2025	84,000	1.18	1.17
10 April 2025	36,000	1.18	1.18

(vi) General

None of the Directors or, to the best of their knowledge having made all reasonable enquires, their close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if it is approved by the Shareholders.

The Directors will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the memorandum of association and bye-laws of the Company and the laws of Bermuda.

If as a result of a repurchase of Shares a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Codes on Takeovers and Mergers and Share Buy-backs (the "Takeover Code"). As a result, a shareholder or a group of shareholders acting in concert depending on the level of increase of shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code. The Directors are not aware of any shareholder or a group of shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code as a result of the Directors exercising the power to repurchase Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, Dr. Charles Yeung and Mr. Yeung Chun Fan, both are the Directors, together with parties acting in concert with them were beneficially interested in 1,115,224,499 Shares representing 74.21 per cent. of the issued shares of the Company. On the basis that no further Shares are to be issued, a full exercise of the Repurchase Mandate by the Directors would result in Dr. Charles Yeung and Mr. Yeung Chun Fan together with parties acting in concert with them in aggregate holding approximately 82.46 per cent. of the issued shares of the Company. Accordingly, the Directors are not aware of any consequences which would arise under the Takeover Code as a consequence of any repurchases made pursuant to the Repurchase Mandate. So far as the Directors are aware, the Company does not have any present intention to repurchase Shares pursuant to the Repurchase Mandate to such an extent that the Company is not able to maintain the minimum public float for the Shares.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Company is authorised to make repurchases of Shares.

The Company confirms that neither this explanatory statement nor the Repurchase Mandate has any unusual features.

(B) RECOMMENDATION

The Directors consider that the approval of Repurchase Mandate is in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders should vote in favour of the ordinary resolution relating to the Repurchase Mandate to be proposed at the annual general meeting of the Company.

Yours faithfully,
By Order of the Board
Glorious Sun Enterprises Limited
Dr. Charles Yeung, GBS, JP
Chairman