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LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 191)



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 571)



LAI SUN DEVELOPMENT

Lai Sun Development Company Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 488)



LAI FUNG HOLDINGS

Lai Fung Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1125)

Holy Unicorn Limited

(Incorporated in the British Virgin Islands with limited liability)

JOINT ANNOUNCEMENT

LF OFFERS BEING DECLARED UNCONDITIONAL IN ALL RESPECTS

- (1) VOLUNTARY GENERAL CASH OFFERS BY HSBC ON BEHALF OF THE OFFEROR, A WHOLLY-OWNED SUBSIDIARY OF LSD, TO ACQUIRE ALL OF THE ISSUED SHARES OF LAI FUNG (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY LSD, THE OFFEROR OR THE OTHER WHOLLY-OWNED SUBSIDIARIES OF LSD) AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF LAI FUNG**
- (2) MAJOR ACQUISITION OF LSD**
- (3) MAJOR ACQUISITION AND CONNECTED TRANSACTION OF LSG**
- (4) VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION OF eSUN**

Financial Adviser to LSD and the Offeror



INTRODUCTION

Reference is made to (i) the joint announcement dated 21 February 2020 published by Lai Sun Garment (International) Limited (“**LSG**”), Lai Sun Development Company Limited (“**LSD**”), Holy Unicorn Limited (the “**Offeror**”), eSun Holdings Limited (“**eSun**”) and Lai Fung Holdings Limited (“**Lai Fung**”) in respect of, among others, the then conditional voluntary general cash offers to be made by The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) on behalf of the Offeror, a wholly-owned subsidiary of LSD, to acquire all of the issued shares of Lai Fung (other than those already owned or agreed to be acquired by LSD, the Offeror or the other wholly-owned subsidiaries of LSD) (the “**LF Share Offer**”) and to cancel all the outstanding share options of Lai Fung (the “**LF Option Offer**”, and together with the LF Share Offer, the “**LF Offers**”); (ii) the composite offer and response document jointly issued by LSD, the Offeror and Lai Fung dated 24 April 2020 in relation to the LF Offers (“**Composite Document**”); (iii) the joint announcement issued by LSD, the Offeror and Lai Fung dated 23 April 2020 in relation to the despatch of the Composite Document and the letter dated 24 April 2020 issued by HSBC on behalf of the Offeror to the holders of outstanding share options of Lai Fung; (iv) the announcement of eSun dated 13 May 2020 in relation to the poll results of the special general meeting of eSun (the “**eSun Poll Results Announcement**”); (v) the announcement of LSG dated 13 May 2020 in relation to the poll results of the general meeting of LSG (the “**LSG Poll Results Announcement**”); (vi) the announcement of LSD dated 13 May 2020 in relation to the poll results of the general meeting of LSD (the “**LSD Poll Results Announcement**”, and together with the eSun Poll Results Announcement and LSG Poll Results Announcement, the “**Poll Results Announcements**”); and (vii) the joint announcement issued by LSG, LSD, the Offeror, eSun and Lai Fung dated 13 May 2020 in relation to satisfaction of certain conditions to the LF Share Offer.

Unless otherwise defined herein, capitalised terms used herein shall have the meanings ascribed to them in the Composite Document.

CONDITIONS TO THE LF OFFERS

As set out in the Composite Document, the LF Share Offer is subject to the fulfilment of (among other things) the following Conditions:

- “(d) *valid acceptances of the LF Share Offer being received by 4:00 p.m. on the LF Share Offer Closing Date (and not, where permitted, withdrawn) in respect of such number of LF Shares which, together with LF Shares already (directly or indirectly) held or agreed to be acquired by LSD, the Offeror or any of the other wholly-owned subsidiaries of LSD, would result in LSD, the Offeror and the other wholly-owned subsidiaries of LSD holding in aggregate more than 50% of the voting rights in Lai Fung;*

(e) valid acceptances of the LF Share Offer being received within four (4) months of the posting of the Composite Document (and not, where permitted, withdrawn) in respect of such number of LF Shares which (i) is not less than 90% of the LF Offer Shares and (ii) when aggregated with the total number of the Disinterested Shares (if any) purchased by the Offeror and the Offeror Concert Parties during the period of four (4) months after the posting of the Composite Document, would represent not less than 90% of the Disinterested Shares;”

The LF Option Offer is subject to and conditional upon the LF Share Offer becoming or being declared unconditional in all respects.

LEVEL OF ACCEPTANCES OF THE LF OFFERS AND FULFILMENT OF CONDITION (d)

As of 4:00 p.m. on 14 May 2020, valid acceptances of the LF Share Offer had been received in respect of 169,345,130 LF Offer Shares, representing approximately 51.16% of the LF Offer Shares and approximately 51.16% of the issued share capital of Lai Fung as at the date of this joint announcement (of which valid acceptances in respect of 552,663 LF Offer Shares were from Disinterested Shareholders, representing approximately 0.34% of all Disinterested Shares as at the date of this joint announcement).

As of 4:00 p.m. on 14 May 2020, no valid acceptances of the LF Option Offer had been received.

Of the 169,345,130 LF Offer Shares validly tendered for acceptance under the LF Share Offer, 168,792,467 LF Offer Shares were tendered for acceptance by Offeror Concert Parties (including eSun), representing approximately 50.99% of the LF Offer Shares and approximately 50.99% of the issued share capital of Lai Fung as at the date of this joint announcement. eSun had accepted the LF Share Offer in respect of all of its LF Shares (being 168,792,467 LF Shares) in accordance with the ordinary resolutions passed at the special general meeting of eSun held on 13 May 2020 approving the eSun Disposal.

None of the Offeror or the Offeror Concert Parties has purchased any LF Shares after the posting of the Composite Document (other than under the LF Share Offer) up to the date of this joint announcement.

The LF Shares in respect of which valid acceptances have been received under the LF Share Offer, together with the LF Shares held or agreed to be acquired by LSD, the Offeror and the other wholly-owned subsidiaries of LSD, amount to 169,362,640 LF Shares, representing approximately 51.16% of the voting rights of Lai Fung as at 4:00 p.m. on the date of this joint announcement.

Accordingly, Condition (d) to the LF Share Offer has been fulfilled.

THE LF SHARE OFFER BEING DECLARED UNCONDITIONAL IN ALL RESPECTS

Following the fulfilment of Condition (d), the Offeror has waived Condition (e) and all of the other Conditions to the LF Share Offer, namely Conditions (a), (b), (c), (f), (g), (h), (i), (j) and (k), have also been fulfilled. Accordingly, all of the Conditions to the LF Share Offer have been fulfilled or waived by the Offeror and the LF Share Offer has been declared unconditional in all respects on 14 May 2020.

LF OPTION OFFER BEING DECLARED UNCONDITIONAL IN ALL RESPECTS

As the LF Share Offer has been declared unconditional in all respects on 14 May 2020, the LF Option Offer has also been declared unconditional in all respects on 14 May 2020.

LF OFFERS TO REMAIN OPEN FOR NOT LESS THAN 14 DAYS

Pursuant to Rule 15.3 of the Takeovers Code, the LF Share Offer Closing Date should be no less than fourteen (14) days after the date on which the LF Offers become or are declared unconditional in all respects. Accordingly (and unless the Offeror revises or extends the LF Offers in accordance with the Takeovers Code), the LF Offers will remain open for acceptance until 4:00 p.m. on Thursday, 28 May 2020 (the “**Revised LF Share Offer Closing Date**”) and the latest date for despatch of cheques for payment of the amounts due under the LF Offers in respect of valid acceptances received on the Revised LF Share Offer Closing Date will be Monday, 8 June 2020.

SETTLEMENT OF CONSIDERATION

Settlement of the consideration in respect of an acceptance of the LF Offers will be made as soon as possible and in any event within seven (7) Business Days of (i) the date of receipt of the complete and valid acceptance of the relevant LF Offer Shareholder or LF Optionholder or (ii) the date of this joint announcement (being the date on which the LF Offers have been declared unconditional in all respects), whichever is the later.

Save as set out above, all other terms and conditions of the LF Offers as set out in the Composite Document and the Forms of Acceptance remain unchanged. LF Offer Shareholders and LF Optionholders are advised to refer to the Composite Document and the Forms of Acceptance for details of the acceptance procedures should they wish to accept the LF Offers.

By order of the board
Lai Sun Garment (International) Limited
Chew Fook Aun
Executive Director and Deputy Chairman

By order of the board
eSun Holdings Limited
Lui Siu Tsuen, Richard
*Executive Director and
Chief Executive Officer*

By order of the board
Lai Sun Development Company Limited
Lau Shu Yan, Julius
Executive Director and Chief Executive Officer

By order of the board
Lai Fung Holdings Limited
Chew Fook Aun
Chairman

By order of the board
Holy Unicorn Limited
Chew Fook Aun
Director

Hong Kong, 14 May 2020

As at the date of this joint announcement:

- (a) *the board of directors of LSG comprises six executive directors, namely Dr. Lam Kin Ming (Chairman), Dr. Lam Kin Ngok, Peter (Deputy Chairman), Mr. Chew Fook Aun (Deputy Chairman), Madam U Po Chu, Mr. Lam Kin Hong, Matthew and Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu); and three independent non-executive directors, namely Messrs. Leung Shu Yin, William, Lam Bing Kwan and Chow Bing Chiu.*
- (b) *the LSD Board comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman) and Messrs. Chew Fook Aun (Deputy Chairman), Lau Shu Yan, Julius (Chief Executive Officer), Lam Hau Yin, Lester and Tham Seng Yum, Ronald; two non-executive directors, namely Dr. Lam Kin Ming and Madam U Po Chu; and four independent non-executive directors, namely Messrs. Lam Bing Kwan, Leung Shu Yin, William, Ip Shu Kwan, Stephen and Leung Wang Ching, Clarence.*
- (c) *the Offeror Board comprises four directors, namely Dr. Lam Kin Ngok, Peter and Messrs. Chew Fook Aun, Lau Shu Yan, Julius and Lam Hau Yin, Lester.*
- (d) *the eSun Board comprises four executive directors, namely Messrs. Lui Siu Tsuen, Richard (Chief Executive Officer), Chew Fook Aun, Lam Hau Yin, Lester and Yip Chai Tuck; one non-executive director, namely Madam U Po Chu; and four independent non-executive directors, namely Messrs. Low Chee Keong (Chairman), Lo Kwok Kwei, David and Alfred Donald Yap and Dr. Ng Lai Man, Carmen.*
- (e) *the Lai Fung Board comprises eight executive directors, namely Mr. Chew Fook Aun (Chairman), Dr. Lam Kin Ming (Deputy Chairman), Mr. Lam Kin Hong, Matthew (Executive Deputy Chairman), Mr. Lam Hau Yin, Lester (Chief Executive Officer), Madam U Po Chu and Messrs. Cheng Shin How, Lee Tze Yan, Ernest and Tham Seng Yum, Ronald; two non-executive directors, namely Mr. Lucas Ignatius Loh Jen Yuh and Mr. Puaah Tze Shyang (also alternate to Mr. Lucas Ignatius Loh Jen Yuh); and five independent non-executive directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho, Mak Wing Sum, Alvin and Shek Lai Him, Abraham.*

The directors of LSG jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the LSG Group (other than information relating to the LSD Group, the eSun Group or the Lai Fung Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the LSG Group (other than opinions expressed by the LSD Group, the eSun Group or the Lai Fung Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

The LSD Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the LSG Group (excluding the LSD Group), the eSun Group or the Lai Fung Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the LSG Group (excluding the LSD Group), the eSun Group or the Lai Fung Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

The Offeror Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the LSG Group (excluding the LSD Group), the eSun Group or the Lai Fung Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the LSG Group (excluding the LSD Group), the eSun Group or the Lai Fung Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

The eSun Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the eSun Group (other than information relating to the Lai Fung Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the eSun Group (other than opinions expressed by the Lai Fung Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

The Lai Fung Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the Lai Fung Group and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the Lai Fung Group have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.