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Transtrend Holdings Limited
(Incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT

**CLOSE OF THE eSUN OFFERS
AND
RESULTS OF THE eSUN OFFERS**

**VOLUNTARY GENERAL CASH OFFER
BY HSBC ON BEHALF OF THE OFFEROR, A WHOLLY-OWNED SUBSIDIARY
OF LSD, TO ACQUIRE ALL OF THE ISSUED SHARES OF eSUN
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY LSD,
THE OFFEROR OR THEIR RESPECTIVE SUBSIDIARIES)
AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF eSUN**

Financial Adviser to LSD and the Offeror



INTRODUCTION

Reference is made to (i) the joint announcement dated 27 May 2018 published by Lai Sun Garment (International) Limited (“**LSG**”), Lai Sun Development Company Limited (“**LSD**”), Transtrend Holdings Limited (the “**Offeror**”), eSun Holdings Limited (“**eSun**”) and Lai Fung Holdings Limited (“**Lai Fung**”) in respect of, among others, (1) the then conditional voluntary general cash offer 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 eSun (other than those already owned or agreed to be acquired by LSD, the Offeror or their respective subsidiaries) (the “**eSun Share Offer**”) and to cancel all the outstanding share options of eSun (the “**eSun Option Offer**”, and together with the eSun Share Offer, the “**eSun Offers**”) and (2) the then possible unconditional mandatory general cash offer to be made by HSBC on behalf of the Offeror to acquire all of the issued shares of Lai Fung (other than those already owned or agreed to be acquired by LSD, the Offeror, eSun or their respective subsidiaries) and to cancel all the outstanding share options of Lai Fung; (ii) the composite offer and response document jointly issued by LSD, the Offeror and eSun dated 23 July 2018 in relation to the eSun Offers (“**eSun Composite Document**”); (iii) the joint announcement issued by LSD, the Offeror and eSun dated 22 July 2018 in relation to the despatch of the eSun Composite Document and the letter dated 23 July 2018 issued by HSBC on behalf of the Offeror to the holders of outstanding share options of eSun; (iv) the joint announcement issued by LSD, the Offeror and eSun dated 25 July 2018 in relation to the eSun Share Offer becoming unconditional as to acceptances; and (v) the joint announcement issued by LSG, LSD, the Offeror, eSun and Lai Fung dated 8 August 2018 in relation to, among others, the eSun Offers having become unconditional in all respects.

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

CLOSE OF THE eSUN OFFERS

The Offeror announces that the eSun Offers closed at 4:00 p.m. on Wednesday, 22 August 2018.

RESULTS OF THE eSUN OFFERS

Level of acceptances of the eSun Offers

As at 4:00 p.m. on the date of this joint announcement, the Offeror had received:

- (A) valid acceptances of the eSun Share Offer by approximately 2.178% in number of the registered holders of eSun Offer Shares as at the date of the eSun Composite Document (i.e. 23 July 2018) in respect of 603,369,886 eSun Offer Shares, representing approximately 64.13% of the eSun Offer Shares and approximately 40.44% of the issued share capital and voting rights of eSun as at the date of this joint announcement; and
- (B) valid acceptances of the eSun Option Offer in respect of 13,145,696 eSun Options, representing 40.02% of the eSun Options as at the date of this joint announcement (of which valid acceptances in respect of 6,216,060 eSun Options were from the Offeror Concert Parties, representing 18.92% of the eSun Options as at the date of this joint announcement).

All of the 603,369,886 eSun Offer Shares validly tendered for acceptance under the eSun Share Offer were tendered by the Disinterested eSun Shareholders, representing approximately 64.52% of the Disinterested eSun Shares. No eSun Offer Share was tendered for acceptance by the Offeror Concert Parties.

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

Interests of the Offeror and the Offeror Concert Parties in eSun

Immediately before 27 May 2018 (being the commencement date of the eSun Offer Period), (i) the Offeror held, controlled or directed 551,040,186 eSun Shares, representing approximately 36.94% of the issued share capital of eSun as at the Announcement Date; (ii) the Offeror Concert Parties held, controlled or directed 5,588,886 eSun Shares, representing approximately 0.37% of the issued share capital of eSun as at the Announcement Date; and (iii) the Offeror and the Offeror Concert Parties held, controlled or directed 556,629,072 eSun Shares in aggregate, representing approximately 37.32% of the issued share capital of eSun as at the Announcement Date.

As at 4:00 p.m. on the date of this joint announcement, the eSun Shares in respect of which valid acceptances had been received under the eSun Share Offer, together with the eSun Shares held by the Offeror and LSD and their respective subsidiaries, amount to 1,154,410,072 eSun Shares, representing approximately 77.38% of the issued share capital of eSun.

The following sets out the Offeror Concert Parties' holdings of the eSun Options immediately before 27 May 2018 (being the commencement date of the eSun Offer Period) and as at the date of this joint announcement:

Name	Relationship with the Offeror	Number of eSun Options held immediately before 27 May 2018	Number of eSun Options held as at the date of this joint announcement
Dr. Peter Lam	Offeror Director, a deputy chairman and an executive director of LSG, the chairman and an executive director of LSD and the ultimate controlling shareholder of LSG, LSD and the Offeror	1,243,212	0
Mr. Lester Lam	Offeror Director, an executive director of LSG and LSD and Dr. Peter Lam's son	12,432,121	0
Mr. FA Chew	Offeror Director, a deputy chairman and an executive director of LSG and the deputy chairman and an executive director of LSD	6,216,060	0

Save as disclosed above, none of the Offeror or the Offeror Concert Parties: (i) held, controlled or directed any eSun Shares or rights over eSun Shares before the eSun Offer Period; (ii) has acquired or agreed to acquire any eSun Shares, other securities of eSun or rights over eSun Shares during the eSun Offer Period; or (iii) has borrowed or lent any eSun Shares or relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of eSun during the eSun Offer Period (save for any borrowed eSun Shares or such relevant securities which have been either on-lent or sold).

Settlement of consideration

Settlement of the consideration in respect of an acceptance of the eSun 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 eSun Offer Shareholder or eSun Optionholder or (ii) the date on which the eSun Offers have become unconditional in all respects (which was 8 August 2018), whichever is the later.

Shareholding Structure of eSun

The table below sets out the shareholding structure of eSun as at the date of this joint announcement (assuming due registration by the Registrar of the transfer of the eSun Shares in respect of which valid acceptances have been received had been completed already):

	<i>As at the date of this joint announcement</i>	
	<i>No. of eSun Shares</i>	<i>As a percentage of the issued share capital of eSun</i>
Offeror	1,154,410,072	77.38%
Offeror Concert Parties, whose eSun Shares form part of the eSun Offer Shares and do not form part of the Disinterested eSun Shares:		
- Dr. Peter Lam	2,794,443	0.19%
- Mr. Lester Lam	2,794,443	0.19%
- Mr. FA Chew	0	0%
- HSBC (<i>Note 1</i>)	0	0%
Aggregate number of eSun Shares held by the Offeror and the Offeror Concert Parties	<u>1,159,998,958</u>	<u>77.76%</u>
Holders of Disinterested eSun Shares (<i>Note 2</i>)		
- Yu Shareholders	149,080,000	9.99%
- SAIF Partners	0	0%
- Other holders of Disinterested eSun Shares	182,775,640	12.25%
Total number of eSun Shares	<u>1,491,854,598</u>	<u>100%</u>

Notes:

- HSBC is the financial adviser to LSD and the Offeror in respect of the Offers. Accordingly, HSBC and relevant members of the HSBC Group which hold eSun Shares on an own account or discretionary managed basis are presumed to be acting in concert with the Offeror in relation to eSun in accordance with class 5 of the definition of "acting in concert" under the Takeovers Code (except in respect of eSun Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code).*
- Based on the relevant eSun Shareholders' disclosures of interests in eSun as at the publication time of this joint announcement.*

Lapse of the eSun Options

Pursuant to the terms of the eSun Share Option Schemes, all eSun Options not exercised before the close of the eSun Share Offer have lapsed upon the close of the eSun Share Offer.

No Compulsory Acquisition of eSun Offer Shares

As the level of acceptances of the eSun Share Offer (or the Offeror's holding of eSun Shares) has not reached the prescribed thresholds under Section 102(1) (or Section 103(1)) of the Companies Act, no rights to effect the compulsory acquisition of the remaining eSun Offer Shares have arisen. Therefore, eSun will not apply for the withdrawal of listing of the eSun Shares from the Stock Exchange as a result of the eSun Offers.

Public Float of eSun Shares

Immediately following the close of the eSun Offers, subject to the due registration by the Registrar of the transfer of the eSun Shares in respect of which valid acceptances were received, 331,855,640 eSun Shares are held by the public (within the meaning of the Listing Rules), representing approximately 22.24% of the issued share capital of eSun as at the date of this joint announcement. Accordingly, the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules is not satisfied as at the date of this joint announcement.

As disclosed in the eSun Composite Document, the Offeror Directors have jointly and severally undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the eSun Shares after the close of the eSun Offers as long as eSun remains listed on the Stock Exchange.

An application will be made by eSun to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules commencing from the date of this joint announcement.

Further announcement(s) will be made by eSun regarding the restoration of public float as and when appropriate.

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

eSun Holdings Limited

Lui Siu Tsuen, Richard

Executive Director and Chief Executive Officer

By order of the board

Transtrend Holdings Limited

Chew Fook Aun

Director

Hong Kong, 22 August 2018

As at the date of this joint announcement:

- (a) *the LSD Board comprises four executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman) and Messrs. Chew Fook Aun (Deputy Chairman), Lau Shu Yan, Julius (Chief Executive Officer) and Lam Hau Yin, Lester; 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.*

- (b) *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.*
- (c) *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; two non-executive directors, namely Madam U Po Chu and Mr. Andrew Y. Yan; 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.*

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 eSun 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 eSun 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 eSun 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 eSun 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 and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the eSun 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.