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LAI SUN GARMENT

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

(Stock Code: 191)



LAI SUN DEVELOPMENT

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

(Stock Code: 488)



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 571)



Media Asia Group Holdings Limited

*(Incorporated in the Cayman Islands and
continued in Bermuda with limited liability)*

(Stock Code: 8075)

Perfect Sky Holdings Limited

(Incorporated in the British Virgin Islands with limited liability)

JOINT ANNOUNCEMENT

**PROPOSED MERGER OF MAGHL BY ESUN AND THE OFFEROR
INVOLVING A SHARE EXCHANGE OFFER WITH PARTIAL CASH
ALTERNATIVE TO THE SCHEME SHAREHOLDERS OF MAGHL FOR
THE CANCELLATION OF ALL THE SCHEME SHARES
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 99 OF THE COMPANIES ACT)**

- (1) EFFECTIVE DATE OF THE SCHEME;**
- (2) WITHDRAWAL OF LISTING OF MAGHL SHARES;**
- (3) RESULTS OF ELECTION OF THE CANCELLATION CONSIDERATION;**
- (4) DESPATCH OF SHARE CERTIFICATES FOR THE
ESUN CONSIDERATION SHARES AND
CHEQUES FOR CASH PAYMENTS UNDER THE SCHEME;**
- (5) SHAREHOLDING STRUCTURE OF ESUN UPON THE ALLOTMENT AND ISSUE OF
THE ESUN CONSIDERATION SHARES; AND**
- (6) RESTORATION OF PUBLIC FLOAT OF ESUN**

**Financial Adviser to
eSun and the Offeror**



Anglo Chinese Corporate Finance, Limited

**Independent Financial Adviser to the
MAGHL Independent Board Committee**



Red Sun Capital Limited

INTRODUCTION

References are made to (i) the announcement (the “**Announcement**”) jointly issued by Lai Sun Garment (International) Limited (“**LSG**”), Lai Sun Development Company Limited (“**LSD**”), eSun Holdings Limited (“**eSun**”), Perfect Sky Holdings Limited (the “**Offeror**”) and Media Asia Group Holdings Limited (“**MAGHL**”) on 10 November, 2022 in relation to, among other things, the proposed merger of MAGHL by eSun and the Offeror by way of a scheme of arrangement (under Section 99 of the Companies Act 1981 (as amended) of Bermuda) (the “**Scheme**”); (ii) the scheme document dated 12 January, 2023 (the “**Scheme Document**”) jointly issued by eSun, the Offeror and MAGHL; (iii) the announcement dated 13 February, 2023 jointly issued by eSun, the Offeror and MAGHL in relation to, among other things, the results of the MAGHL Court Meeting, the MAGHL SGM and the eSun SGM; and (iv) the announcement dated 6 March, 2023 jointly issued by eSun, the Offeror and MAGHL in relation to, among other things, the sanction of the Scheme by the Supreme Court of Bermuda (the “**Court Sanction Announcement**”). Unless otherwise defined in this joint announcement, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

EFFECTIVE DATE OF THE SCHEME

As disclosed in the section headed “3. Conditions to the Proposal and the Scheme” in the Explanatory Statement as set out in Part VII of the Scheme Document, the implementation of the Proposal is, and the Scheme will become effective and binding on MAGHL and all Scheme Shareholders, subject to the fulfilment or waiver (as applicable) of all the Scheme Conditions, including, among others, Condition (f), being the granting by the Stock Exchange of the listing of, and permission to deal in, the eSun Shares which fall to be issued pursuant to the Proposal, on the Main Board (the “**Listing Approval**”). The Listing Approval was granted (conditional upon the fulfillment of all other Scheme Conditions), and Condition (f) was fulfilled, on 7 March, 2023.

As set out in the Court Sanction Announcement, the Scheme was sanctioned (without modification) by the Court on Friday, 3 March, 2023 (Bermuda time). A copy of the order of the Court sanctioning the Scheme was delivered to the Registrar of Companies for registration on Thursday, 16 March, 2023 (Bermuda time).

As a result, all the Scheme Conditions were fulfilled and the Scheme became effective on Thursday, 16 March, 2023 (Bermuda time).

Upon the Scheme becoming effective on Thursday, 16 March, 2023 (Bermuda time):

- (a) all Scheme Shares were cancelled and extinguished in exchange for the Cancellation Consideration for each Scheme Share; and
- (b) immediately after the cancellation and extinguishment of the Scheme Shares, the issued share capital of MAGHL was increased to the amount immediately prior to the cancellation and extinguishment of the Scheme Shares by applying the credit arising in the books of account of MAGHL as a result of the capital reduction in paying up in full at par such number of new MAGHL Shares as is equal to the number of Scheme Shares cancelled and extinguished as aforesaid, which were allotted and issued, credited as fully paid, to the Offeror.

MAGHL has accordingly become a direct wholly-owned subsidiary of the Offeror on Thursday, 16 March, 2023 (Bermuda time).

WITHDRAWAL OF LISTING OF MAGHL SHARES

The listing of MAGHL Shares on GEM will be withdrawn at 4:00 p.m. on Monday, 20 March, 2023.

RESULTS OF ELECTION OF THE CANCELLATION CONSIDERATION

As at the Election Time, i.e. 4:30 p.m. on Monday, 13 March, 2023, being the latest time for lodging the Election Form, valid elections for the Partial Cash Alternative in respect of a total of 809,548,215 Scheme Shares, representing approximately 83.94% of the total number of Scheme Shares, had been made by the Scheme Shareholders. The remaining Scheme Shareholders holding a total of 154,917,153 Scheme Shares, representing approximately 16.06% of the total number of Scheme Shares, will receive the Share Alternative.

Accordingly, an aggregate of 264,022,268 new eSun Consideration Shares (representing approximately 17.70% of the total issued eSun Shares as at the date of this joint announcement) will be allotted and issued, and cash consideration in the total amount of approximately HK\$194.29 million will be paid, to the relevant Scheme Shareholders in satisfaction of the Cancellation Consideration under the Proposal.

DESPATCH OF SHARE CERTIFICATES FOR THE ESUN CONSIDERATION SHARES AND CHEQUES FOR CASH PAYMENTS UNDER THE SCHEME

The new eSun Consideration Shares will be allotted and issued to the Scheme Shareholders who elected the Share Alternative or the Partial Cash Alternative (the “**Issue of New eSun Shares**”) on Monday, 27 March, 2023.

Share certificates for the new eSun Consideration Shares, and cheques for cash entitlements of Scheme Shareholders who validly elected the Partial Cash Alternative, will be sent by ordinary post in postage pre-paid envelopes to the persons entitled thereto at their respective registered addresses (or, in the case of joint holders, to the registered address of that joint holder whose name then stands first in the register of members of MAGHL in respect of the joint holding) at their own risk, by Monday, 27 March, 2023.

Dealings of the new eSun Consideration Shares on the Main Board will commence at 9:00 a.m. on Tuesday, 28 March, 2023.

SHAREHOLDING STRUCTURE OF ESUN UPON THE ALLOTMENT AND ISSUE OF THE ESUN CONSIDERATION SHARES

On the assumption that there is no other change in the shareholding of eSun, the table below sets out the shareholding structure of eSun as at the date of this joint announcement and immediately upon the Issue of New eSun Shares:

eSun Shareholders	As at the date of this joint announcement		Immediately upon the Issue of New eSun Shares	
	No. of eSun Shares	Approximate percentage of the total issued eSun Shares (%) <i>(Note 1)</i>	No. of eSun Shares	Approximate percentage of the total issued eSun Shares (%) <i>(Note 1)</i>
Existing eSun Shareholders				
LSD	1,113,260,072	74.62	1,113,260,072	63.40
Dr. Peter Lam <i>(Note 2)</i>	2,794,443	0.19	2,794,443	0.16
Mr. Lester Lam <i>(Note 3)</i>	2,794,443	0.19	2,794,443	0.16
Yu Cheuk Yi & Yu Siu Yuk <i>(Note 4)</i>	149,864,000	10.05	149,864,000	8.53
Other existing eSun Shareholders	223,141,640	14.95	223,141,640	12.71
Sub-total	1,491,854,598	100.00	1,491,854,598	84.96
Scheme Shareholders				
Anglo Chinese <i>(Note 5)</i>	—	—	1,562,500	0.09
Mr. Cheung <i>(Note 6)</i>	—	—	16,666,666	0.95
Disinterested Scheme Shareholders <i>(Note 7)</i>	—	—	245,793,102	14.00
Sub-total	—	—	264,022,268	15.04
Total	1,491,854,598	100.00	1,755,876,866	100.00
Public eSun Shareholders <i>(Note 8)</i>	223,141,640	14.95	637,027,908	36.28

Notes:

1. *All percentages in the above table are approximations.*
2. *As at the date of this joint announcement, (i) the Offeror is directly wholly-owned by eSun, which is indirectly owned as to approximately 74.62% by LSD, which is in turn directly and indirectly owned as to approximately 53.19% by LSG, which is in turn directly and indirectly owned as to approximately 41.93% by Dr. Peter Lam, a director of the Offeror and the chairman and an executive director of MAGHL; and (ii) Dr. Peter Lam holds 2,794,443 eSun Shares as beneficial owner. Dr. Peter Lam is also the chairman and an executive director of LSD and LSG.*
3. *As at the date of this joint announcement, Mr. Lester Lam holds 2,794,443 eSun Shares as beneficial owner. Mr. Lester Lam is an executive director of eSun, LSD and LSG.*
4. *Based on the disclosure of interests' notices received by eSun, as at 30 May, 2022, Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk were both taken to be interested in the same 149,864,000 eSun Shares (approximately 10.0455% of the total issued eSun Shares), which were held jointly by them. Please refer to the announcement of eSun dated 31 May, 2022, in relation to the public float and suspension of trading for details.*
5. *Anglo Chinese is presumed to be acting in concert with the Offeror in accordance with class (5) of the definition of "acting in concert" under the Takeovers Code but is not a core connected person of eSun.*
6. *Mr. Cheung is presumed to be acting in concert with the Offeror under class (5) of the definition of "acting in concert" under the Takeovers Code but is not a core connected person of eSun.*
7. *None of the Disinterested Scheme Shareholders is a core connected person of eSun, therefore the eSun Consideration Shares to be issued to them will form part of the public float of eSun for the purpose of the Listing Rules.*
8. *The public eSun Shareholders upon the Issue of New eSun Shares will comprise (i) the existing eSun Shareholders other than LSD, Dr. Peter Lam and Mr. Lester Lam; and (ii) the Scheme Shareholders.*

As shown in the table above, immediately upon the Issue of New eSun Shares, eSun will be held as to approximately 63.40% by LSD. Accordingly, eSun will remain as a subsidiary of LSD and LSG; and the profit and loss as well as the assets and liabilities of the eSun Group will continue to be consolidated into the respective consolidated financial statements of LSD and LSG.

FINANCIAL EFFECT OF THE PROPOSAL ON LSD AND LSG

As the Proposal will result in a dilution of percentage equity interest of LSD, and hence LSG, in eSun from approximately 74.62% to approximately 63.40% upon the Issue of New eSun Shares, it will be a deemed disposal of eSun Shares by LSD and LSG for the purpose of Chapter 14 of the Listing Rules (the “**Deemed Disposal**”). For details, please refer to the sub-sections headed “2. Listing Rules Implications for LSD” and “3. Listing Rules Implications for LSG” in the section headed “L. Listing Rules Implications of the Proposal” of the Announcement.

As LSD, and hence LSG, will hold approximately 63.40% of the total issued eSun Shares upon the Issue of New eSun Shares, eSun will continue to be a non-wholly owned subsidiary of LSD and LSG. No profit or loss from the Deemed Disposal will be recognised by LSD and LSG.

RESTORATION OF PUBLIC FLOAT OF ESUN

References are made to the announcements of eSun dated 31 May, 2022, 31 August, 2022, 10 November, 2022 and 10 February, 2023 in relation to, among other things, the public float of eSun.

As shown in the table in the section headed “Shareholding Structure of eSun upon the Allotment and Issue of the eSun Consideration Shares” in this joint announcement, upon the Issue of New eSun Shares on 27 March, 2023, approximately 36.28% of the total issued eSun Shares will be held by the public, and the public float of eSun will be restored to above the 25% minimum level as prescribed under Rule 8.08(1)(a) of the Listing Rules.

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

By order of the board of directors
Lai Sun Development Company Limited
Chew Fook Aun
Executive Director and Deputy Chairman

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

By order of the board of directors
Media Asia Group Holdings Limited
Lui Siu Tsuen, Richard
Executive Director

By order of the board of directors
Perfect Sky Holdings Limited
Lui Siu Tsuen, Richard
Director

Hong Kong, 17 March, 2023

All references in this joint announcement to times and dates are references to Hong Kong times and dates, except as otherwise specified.

As at the date of this joint announcement,

- (a) the board of directors of LSG comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (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 board of directors of LSD 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 (also alternate to Madam U Po Chu) and Lee Tze Yan, Ernest; one non-executive director, namely Madam U Po Chu; and three independent non-executive directors, namely Messrs. Lam Bing Kwan, Leung Shu Yin, William and Ip Shu Kwan, Stephen;*
- (c) the eSun Board comprises four executive directors, namely Messrs. Lui Siu Tsuen, Richard (Chief Executive Officer), Chew Fook Aun, Lam Hau Yin, Lester (also alternate to Madam U Po Chu) 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;*
- (d) the MAGHL Board comprises four executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Messrs. Chan Chi Kwong, Lui Siu Tsuen, Richard and Yip Chai Tuck; and three independent non-executive directors, namely Messrs. Au Hoi Fung, Ng Chi Ho, Dennis and Poon Kwok Hing, Albert; and*
- (e) the Offeror Board comprises three directors, namely Dr. Lam Kin Ngok, Peter, Mr. Chew Fook Aun and Mr. Lui Siu Tsuen, Richard.*

The directors of LSG jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to LSG and its subsidiaries (other than that relating to LSD and its subsidiaries) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the board of directors of LSG 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 directors of LSD jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to LSD and its subsidiaries (other than that relating to the eSun Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement by the board of directors of LSD 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 directors of eSun jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the MAGHL Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the MAGHL Board) 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 directors of MAGHL jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement relating to the MAGHL Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the eSun Board or the Offeror Board) 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 directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the eSun Group (excluding the Offeror) or the MAGHL Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the eSun Board or the MAGHL Board) 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.

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