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The Lai Fung Offers are being made for the securities of a company incorporated in the Cayman Islands with limited liability and are subject to Hong Kong disclosure and other procedural requirements, which are different from those of the United States of America. The financial information included in the Lai Fung Composite Document has been prepared in accordance with Hong Kong Financial Reporting Standards and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the USA.



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)

Transtrend Holdings Limited

(Incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT

DESPATCH OF THE LAI FUNG COMPOSITE DOCUMENT AND THE LAI FUNG OPTION OFFER LETTER

**UNCONDITIONAL MANDATORY GENERAL CASH OFFER 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, eSUN OR
THEIR RESPECTIVE SUBSIDIARIES) AND TO CANCEL ALL THE
OUTSTANDING SHARE OPTIONS OF LAI FUNG**

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) and to cancel all the outstanding share options of eSun (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 (the “**Lai Fung Offers**”); (ii) the joint announcement issued by LSD, the Offeror, eSun and Lai Fung dated 15 June 2018 in relation to the extension of time for despatch of the eSun Composite Document and the Lai Fung Composite Document; (iii) the joint announcement issued by LSD, the Offeror, eSun and Lai Fung dated 13 July 2018 providing a progress update; (iv) the joint announcement issued by LSG, LSD, the Offeror, eSun and Lai Fung dated 8 August 2018 in relation to the eSun Offers having become unconditional in all respects and the satisfaction of the pre-condition to the Lai Fung Offers; and (v) the Lai Fung Composite Document to be jointly issued by LSD, the Offeror and Lai Fung dated 15 August 2018.

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

DESPATCH OF THE LAI FUNG COMPOSITE DOCUMENT

The Lai Fung Composite Document containing, among other things, (i) the expected timetable in respect of the Lai Fung Offers; (ii) a letter from HSBC setting out, among other things, details of the Lai Fung Offers; (iii) a letter from the Lai Fung Board; (iv) a letter from the Lai Fung Independent Board Committee; and (v) a letter from the Lai Fung Independent Financial Adviser, together with the Lai Fung Form(s) of Acceptance, will be despatched to the Lai Fung Shareholders and the Lai Fung Optionholders on 15 August 2018 in accordance with the Takeovers Code.

The Lai Fung Option Offer Letter will also be sent to the Lai Fung Optionholders on 15 August 2018.

The Lai Fung Offers are open for acceptance on and from Wednesday, 15 August 2018 and the latest time and date for acceptance of the Lai Fung Offers is 4:00 p.m. on Thursday, 13 September 2018, unless otherwise revised or extended in accordance with the Takeovers Code.

Lai Fung Offer Shareholders and Lai Fung Optionholders are advised to read the Lai Fung Composite Document (including the letters from the Lai Fung Independent Board Committee and the Lai Fung Independent Financial Adviser), the accompanying Lai Fung Form(s) of Acceptance and the Lai Fung Option Offer Letter (if applicable), before deciding whether or not to accept the Lai Fung Offers (as applicable).

There is a possibility that the public will hold less than 25% of the Lai Fung Shares upon closing of the Lai Fung Offers depending on the level of acceptances. In that case, the Offeror and Lai Fung intend to take appropriate steps to restore the public float in compliance with the Listing Rules.

The Offeror intends to maintain the listing of the Lai Fung Shares on the Stock Exchange following closing of the Lai Fung Offers. The Offeror does not intend to exercise any rights to acquire any Lai Fung Shares in respect of which the Lai Fung Share Offer is not accepted.

EXPECTED TIMETABLE

The timetable set out below is indicative only and may be subject to change. Further announcement(s) will be made in the event that there is any change to the following timetable.

Event	Hong Kong Time
Despatch date of the Lai Fung Composite Document and the accompanying Lai Fung Form(s) of Acceptance.....	Wednesday, 15 August 2018
Opening date of the Lai Fung Offers.....	Wednesday, 15 August 2018
First Lai Fung Share Offer Closing Date (<i>Note 1</i>).....	Thursday, 13 September 2018
Latest time for acceptance of the Lai Fung Offers on the first Lai Fung Share Offer Closing Date (<i>Note 2</i>).....	4:00 p.m. on Thursday, 13 September 2018
Announcement of the results of the Lai Fung Offers as at the first Lai Fung Share Offer Closing Date, on the website of the Stock Exchange.....	no later than 7:00 p.m. on Thursday, 13 September 2018
Latest date for despatch of cheques for payment of the amounts due under the Lai Fung Offers in respect of valid acceptances received on the first Lai Fung Share Offer Closing Date (<i>Note 3</i>).....	Monday, 24 September 2018

Notes:

- (1) The Lai Fung Offers, which are unconditional in all respects, will close for acceptances at 4:00 p.m. on Thursday, 13 September 2018 unless the Offeror revises or extends the Lai Fung Offers in accordance with the Takeovers Code. The Offeror has the right under the Takeovers Code to extend the Lai Fung Offers until such date as it may determine subject to compliance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). If the Lai Fung Offers are extended or revised, the announcement of such extension or revision will state the next Lai Fung Share Offer Closing Date. Any revised Lai Fung Offers must be kept open for at least fourteen (14) days or, if longer and to the extent required by applicable U.S. regulations (including where there is a change in the Lai Fung Share Offer Price), at least ten (10) U.S. Business Days following the date on which the revised Lai Fung Composite Document is posted, and shall not be closed earlier than Thursday, 13 September 2018.

- (2) If you wish to accept the Lai Fung Offers, you should ensure your duly completed and signed Lai Fung Form(s) of Acceptance and the relevant documents *arrive* at the Registrar (for the Lai Fung Share Offer) or the company secretary of Lai Fung (for the Lai Fung Option Offer) not later than the prescribed time. If you choose to deliver the documents by post, you should consider the timing requirements for postage.

Beneficial owners of the Lai Fung Offer Shares who hold their Lai Fung Offer Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of CCASS and CCASS Operational Procedures.

All acceptances, instructions, authorisations and undertakings given by the Lai Fung Offer Shareholders in the **WHITE** Form of Lai Fung Share Offer Acceptance and by the Lai Fung Optionholders in the **PINK** Form of Lai Fung Option Offer Acceptance shall be irrevocable except as permitted under the Takeovers Code.

- (3) Payment of the consideration (after deducting the seller's ad valorem stamp duty) for the Lai Fung Offer Shares tendered for acceptance under the Lai Fung Share Offer will be posted by ordinary post to the Lai Fung Offer Shareholders who accept the Lai Fung Share Offer at their own risk, and payment of the consideration for the Lai Fung Options surrendered for cancellation under the Lai Fung Option Offer will be delivered to the office of Lai Fung in Hong Kong at 11th Floor, Lai Sun Commercial Centre, 680 Cheung Sha Wan Road, Kowloon, Hong Kong for collection by the Lai Fung Optionholders. Payment will be made as soon as possible, but in any event within seven (7) Business Days of the date of receipt by the Registrar (in respect of the Lai Fung Share Offer) or the company secretary of Lai Fung (in respect of the Lai Fung Option Offer) of all the relevant documents to render each acceptance under the relevant Lai Fung Offers complete and valid in accordance with the Takeovers Code, the Lai Fung Composite Document and the relevant accompanying Lai Fung Form(s) of Acceptance.

All times and dates references contained in this joint announcement are to Hong Kong times and dates.

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
Cheng Shin How
Executive Director

By order of the board
Transtrend Holdings Limited
Chew Fook Aun
Director

Hong Kong, 15 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 Lai Fung Board comprises seven 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, Mr. Cheng Shin How and Mr. Lee Tze Yan, Ernest; two non-executive directors, namely Mr. Lucas Ignatius Loh Jen Yuh and Mr. Puah 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 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 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 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 directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (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 (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.