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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

SATISFACTION OF CERTAIN CONDITIONS TO THE LF SHARE OFFER

(1) CONDITIONAL 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) POSSIBLE MAJOR ACQUISITION OF LSD

(3) POSSIBLE MAJOR ACQUISITION AND CONNECTED TRANSACTION OF LSG

(4) POSSIBLE 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 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**”); and (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**”).

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:

“(a) *the approval:*

- (i) *by the Independent LSD Shareholders of the LF Offers as a major acquisition of LSD; and*
- (ii) *by the Non-Connected LSD Shareholders of the making of one or more of the LF Offers to any connected person of LSD which is a connected transaction of LSD subject to the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules (if there is any such connected transaction),*

in each case, in accordance with the Listing Rules;

(b) *the approval:*

- (i) *by the Independent LSG Shareholders of the LF Offers as a major acquisition of LSG; and*
- (ii) *by the Non-Connected LSG Shareholders of the making of one or more of the LF Offers to any connected person of LSG which is a connected transaction of LSG subject to the independent shareholders' approval requirement under Chapter 14A of the Listing Rules (if there is any such connected transaction),*

in each case, in accordance with the Listing Rules;

(c) *the approval of the eSun Disposal:*

- (i) *by the Independent eSun Shareholders as a very substantial disposal of eSun; and*
- (ii) *by the Non-Connected eSun Shareholders as a connected transaction of eSun subject to the independent shareholders' approval requirement under Chapter 14A of the Listing Rules,*

in each case, in accordance with the Listing Rules;”

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

FULFILMENT OF CONDITIONS (a), (b) AND (c)

As disclosed in the Poll Results Announcements, all resolutions in relation to the LF Offers proposed at the special general meeting of eSun and general meetings of LSG and LSD held on 13 May 2020 were duly passed. Accordingly, Conditions (a), (b) and (c) to the LF Share Offer have been fulfilled.

As at the date of this joint announcement, only Conditions (a), (b) and (c) have been fulfilled.

LSD, the Offeror and Lai Fung will make further announcements if and when the LF Share Offer has become or is declared unconditional as to acceptances and/or in all respects and/or as otherwise required under the Takeovers Code.

WARNING:

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

The LF Offers are subject to the Conditions being fulfilled or waived. Accordingly, the LF Offers may or may not become unconditional. Shareholders, holders of options and other securities of and potential investors in LSG, LSD, eSun and Lai Fung should therefore exercise caution when dealing in the securities of LSG, LSD, eSun and Lai Fung. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

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, 13 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. 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 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.