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## LAI SUN DEVELOPMENT

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

(Stock Code: 488)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting (“AGM”) of the members (“Members”) of Lai Sun Development Company Limited (“Company”) will be held at Gloucester Room II, 3rd Floor, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Friday, 22 November 2013 at 11:30 a.m. for the following purposes:

1. To consider and adopt the audited financial statements of the Company for the year ended 31 July 2013 (“Year”) and the reports of the directors and the independent auditors thereon;
2. To re-elect the retiring directors of the Company (“Directors”) and to authorise the board of Directors (“Board”) to fix the Directors’ remuneration;
3. To re-appoint Ernst & Young, Certified Public Accountants (“Ernst & Young”), as the independent auditors of the Company and to authorise the Board to fix their remuneration; and
4. As special businesses, to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

Ordinary Resolution (A)

“**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase shares of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Code on Share Repurchases for this purpose, subject to and in accordance with all applicable laws in Hong Kong and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of the shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
  - (i) the conclusion of the next Annual General Meeting of the Company;
  - (ii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the members of the Company in general meeting; or
  - (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by law or the Articles of Association of the Company to be held.”

Ordinary Resolution (B)

**“THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to issue, allot and deal with additional shares in the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are exchangeable or convertible into shares in the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are exchangeable or convertible into shares in the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined); or

- (ii) an issue of shares in the Company upon the exercise of rights of subscription, exchange or conversion under the terms of any of the options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are exchangeable or convertible into shares in the Company); or
- (iii) an issue of shares in the Company as scrip dividends pursuant to the Articles of Association of the Company from time to time; or
- (iv) an issue of shares in the Company under any award or option scheme or similar arrangement for the grant or issue to eligible participants under such scheme or arrangement of shares in the Company or rights to acquire shares in the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the Members of the Company in general meeting; or
- (iii) the expiration of the period within which the next Annual General Meeting of the Company is required by law or the Articles of Association of the Company to be held; and

“Rights Issue” means an offer of shares in the Company open for a period fixed by the Directors to the holders of shares, whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

Ordinary Resolution (C)

“**THAT:**

subject to the passing of the Ordinary Resolution (A) and Ordinary Resolution (B) set out in agenda item 4 contained in the notice convening this meeting, the general mandate granted to the directors of the Company (“**Directors**”) and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the issued share capital of the Company which has been purchased by the Company since the granting of such general mandate pursuant to the exercise by the Directors of the powers of the Company to purchase such shares, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution.”

Ordinary Resolution (D)

“**THAT:**

subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting the listing of, and permission to deal in, the additional shares of HK\$0.01 each in the capital of the Company (“**Shares**”) to be issued pursuant to the exercise of options which may be granted under the share option scheme adopted by the Company on 22 December 2006 and becoming effective on 29 December 2006 (“**Share Option Scheme**”), the refreshment of the general limit in respect of the grant of options to subscribe for Shares under the Share Option Scheme be and is hereby approved provided that:

- (a) the total number of Shares in respect of which options may be granted under the Share Option Scheme shall not exceed 10% of the total number of Shares in issue as at the date of passing this resolution (“**Refreshed Limit**”);
- (b) options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme) will not be counted for the purpose of calculating the Refreshed Limit;
- (c) the directors of the Company (“**Directors**”) be and are hereby unconditionally authorised to offer or grant options pursuant to the Share Option Scheme to subscribe for Shares up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with the Shares upon the exercise of such options; and
- (d) such increase in the Refreshed Limit shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company exceed 30% of the Shares in issue from time to time”; and

“**THAT** the Directors and Company Secretary of the Company be and are hereby authorised to do all such acts, deeds and things as they shall, at their absolute discretion, deem fit in order to effect the foregoing.”

By Order of the Board  
**Lai Sun Development Company Limited**  
**Chow Kwok Wor**  
*Company Secretary*

Hong Kong, 24 October 2013

*Registered Office:*

11th Floor  
Lai Sun Commercial Centre  
680 Cheung Sha Wan Road  
Kowloon, Hong Kong

*Notes:*

1. A Member entitled to attend and vote at the AGM convened by the above notice (“**Notice**”) (or its adjourned meeting) is entitled to appoint one (or if he/she/it holds two or more shares, more than one) proxy to attend and, on a poll, vote on his/her/its behalf in accordance with the Articles of Association of the Company (“**Articles of Association**”). A proxy need not be a Member.
2. A form of proxy for use at the AGM is sent to the Member with the Annual Report of the Company for the Year and is also available at the websites of the Stock Exchange and the Company.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company’s share registrars, Tricor Tengis Limited (“**Registrars**”), at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or its adjourned meeting (as the case may be) and in default, the form of proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude Members from attending in person and voting at the AGM or at its adjourned meeting should they so wish. In such case, the said form(s) of proxy shall be deemed to be revoked.

The contact phone number of the Registrars is (852) 2980 1333.

4. To ascertain the entitlements to attend and vote at the AGM, Members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Registrars not later than 4:30 p.m. on Tuesday, 19 November 2013 for registration.
5. Where there are joint registered holders of any ordinary share of HK\$0.01 each in the Company (“**Share**”), any one of such joint holders may attend and vote at the AGM or its adjourned meeting (as the case may be), either personally or by proxy, in respect of such Share as if he/she/it were solely entitled thereto; but if more than one of such joint holders are present at the AGM or its adjourned meeting (as the case may be) personally or by proxy, that one of such holders so present whose name stands first in the Register of Members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.

6. Concerning agenda item 2 of this Notice,
- (i) in accordance with Article 102 of the Articles of Association, Madam U Po Chu (**Madam U**) and Mr. Ip Shu Kwan, Stephen (**Mr. Stephen Ip**) will retire from office as Directors by rotation at the AGM. Being eligible, they offer themselves for re-election;
  - (ii) in accordance with Rule 13.74 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the particulars of Madam U and Mr. Stephen Ip are set out in the “Biographical Details of Directors” section of the Annual Report of the Company for the Year.

7. Concerning agenda item 3 of this Notice, the Board (which concurs with the Audit Committee) has recommended that subject to the approval of Members at the AGM, Ernst & Young be re-appointed independent auditors of the Company for the year ending 31 July 2014 (“**Year 2014**”). Members should note that in practice, independent auditors’ remuneration for Year 2014 cannot be fixed at the AGM because such remuneration varies by reference to the scope and extent of the audit and other works which the independent auditors are being called upon to undertake in any given year. To enable the Company to charge the amount of such independent auditors’ remuneration as operating expenses for the Year 2014, Members’ approval to delegate the authority to the Board to fix the independent auditors’ remuneration for the Year 2014 is required, and is hereby sought, at the AGM.

8. The proposed Ordinary Resolution (A) under agenda item 4 of this Notice relates to the granting of a general mandate to the Directors to repurchase shares of up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution. Members’ attention is also drawn to the explanatory statement on the proposed repurchase mandate contained in Appendix I to the circular dated 24 October 2013.

The proposed Ordinary Resolution (B) under agenda item 4 of this Notice relates to the granting of a general mandate to the Directors to issue new Shares of up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution. The Company has no immediate plan to issue any new Shares under the general mandate.

The proposed Ordinary Resolution (C) under agenda item 4 of this Notice extends the general mandate to include the Shares repurchased under the repurchase mandate.

The proposed Ordinary Resolution (D) under agenda item 4 of this Notice relates to the refreshment of the share option limit under the Share Option Scheme up to a maximum of 10% of the Shares in issue as at the date of passing the said Resolution.

9. In compliance with Rule 13.39(4) of the Listing Rules, voting on all resolutions proposed in this Notice will be taken by poll.

10. If a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 7:00 a.m. and 5:00 p.m. on the date of the AGM, the AGM will be postponed and the Members will be informed of the date, time and venue of the postponed AGM by a supplementary notice, posted on the respective websites of the Company and Hong Kong Exchanges and Clearing Limited.

If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is cancelled at or before 7:00 a.m. on the date of the AGM and where conditions permit, the AGM will be held as scheduled.

The AGM will be held as scheduled when an amber or red rainstorm warning signal is in force.

Members should decide whether they would attend the AGM under a bad weather condition after considering their own situations and if they do so, they are advised to exercise care and caution.

11. Details regarding the Ordinary Resolutions (A), (B), (C) and (D) under agenda item 4 of this Notice are set out in the circular of the Company dated 24 October 2013 in relation to, among others, the proposals involving general mandates to repurchase shares and to issue shares as well as the refreshment of share option scheme limit.

*As at the date of this announcement, the Board comprises the following members:*

*Executive Directors: 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;*

*Non-executive Directors: Dr. Lam Kin Ming and Madam U Po Chu; and*

*Independent Non-executive Directors: Messrs. Ip Shu Kwan, Stephen, Lam Bing Kwan and Leung Shu Yin, William.*