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LAI SUN GARMENT

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

(Stock Code: 191)

## ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES

As borrower, LSD, a subsidiary of the Company, has entered into the Facility Agreement relating to a term loan and revolving credit facility of up to HK\$2,200,000,000. The Facility Agreement imposes an obligation on LSD to procure that the Lam Family will, at all times during the Facility Period, remain as the single largest shareholder of LSD (directly or indirectly) and will maintain control over the management of LSD and its subsidiaries.

This announcement is made in compliance with Rule 13.18 of the Listing Rules.

This announcement is made in compliance with Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as Lai Sun Garment (International) Limited (the “**Company**”) has early adopted Hong Kong Financial Reporting Standard 10 “Consolidated Financial Statements” and therefore Lai Sun Development Company Limited (“**LSD**”) has been accounted for and consolidated in the consolidated financial statements of the Company as a subsidiary.

The board of directors of the Company (the “**Board**”) announces that LSD has entered into a facility agreement (the “**Facility Agreement**”) relating to a term loan and revolving credit facility of up to HK\$2,200,000,000 (the “**Facility**”) to be made available to LSD, as borrower, for a period of up to three years commencing on the date of execution of the Facility Agreement (the “**Facility Period**”) and, amongst others, certain principal particulars are set out below:

- a) The first drawdown of the Facility is expected to occur on or around the end of November 2012;
- b) Pursuant to the Facility Agreement, LSD has undertaken to procure that Dr. Lam Kin Ngok, Peter (the chairman and an executive director of LSD as well as the deputy chairman and an executive director of the Company) and his family (the “**Lam Family**”) will, at all times during the Facility Period, remain as the single largest shareholder of LSD (directly or indirectly) and will maintain control over the management of LSD and its subsidiaries (the “**Undertaking**”); and

- c) Failure to comply with the Undertaking constitutes an event of default under the Facility Agreement, entitling the lenders of the Facility to (i) declare the Facility due and payable together with all accrued interest thereon; (ii) recover the aggregate of all moneys from time to time outstanding or payable under the Facility Agreement; (iii) disallow further utilization of the Facility and cancel the Facility; and (iv) enforce the security created under the security documents relevant to the Facility Agreement.

The Company will make continuing disclosure pursuant to Rule 13.21 of the Listing Rules in subsequent interim and annual reports for so long as circumstances giving rise to the relevant obligation continue to exist.

By Order of the Board  
**Lai Sun Garment (International) Limited**  
**Kwok Siu Man**  
*Company Secretary*

Hong Kong, 15 November 2012

*As at the date of this announcement, the Board comprises six executive Directors, namely Dr. Lam Kin Ming (Chairman), Dr. Lam Kin Ngok, Peter (Deputy Chairman), Mr. Chew Fook Aun (Deputy Chairman) and Messrs. Shiu Kai Wah, Lam Kin Hong, Matthew and Lam Hau Yin, Lester (also alternate to Madam U Po Chu); two non-executive Directors, namely Madam U Po Chu and Mr. Wan Yee Hwa, Edward; and three independent non-executive Directors, namely Messrs. Leung Shu Yin, William, Lam Bing Kwan and Chow Bing Chiu.*