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## LAI FUNG HOLDINGS

Lai Fung Holdings Limited  
(Incorporated in the Cayman Islands with limited liability)  
**(Stock Code: 1125)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting (the “**EGM**”) of the members (the “**Members**”) of Lai Fung Holdings Limited (the “**Company**”) will be held at Gloucester Room II, 3rd Floor, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 18 December 2012 at 9:00 a.m. (or as soon thereafter as the 2012 annual general meeting of the Company convened at the same place and on the same date at 8:15 a.m. shall have been concluded or adjourned) or its adjournment thereof for the purposes of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

#### ORDINARY RESOLUTION NO. 1

1. “**THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (the “**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 (the “**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 Repurchase for this purpose, subject to and in accordance with all applicable laws 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 to be purchased 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 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 NO. 2**

### **2. “THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the “**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 or Open Offer (each 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 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” or “Open Offer” 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 and/or the Hong Kong Branch 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 applicable requirements of any recognised regulatory body or any stock exchange).”

### **ORDINARY RESOLUTION NO. 3**

3. **“THAT** subject to the passing of the Ordinary Resolutions Nos. 1 and 2 in the notice convening this meeting, the general mandate granted to the directors of the Company (the **“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 shares in the 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 of this Resolution.”

### **ORDINARY RESOLUTION NO. 4**

4. **“THAT:**
- (a) subject to and conditional upon (i) the passing of an ordinary resolution by the shareholders of eSun Holdings Limited (the ultimate holding company of the Company) at its general meeting approving the adoption of the share option scheme of the Company (the rules of which are contained in the document marked “A” produced to the EGM and signed by the chairman of the EGM for the purpose of identification) (the **“New Share Option Scheme”**); and (ii) the Listing Committee of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) granting the approval for the listing of, and permission to deal in, the shares of HK\$0.10 each in the capital of the Company (the **“Shares”**) which may fall to be issued and allotted pursuant to the exercise of any options that may be granted under the New Share Option Scheme, the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including without limitation:

- (i) to administer the New Share Option Scheme under which options will be granted to eligible participants under the New Share Option Scheme to subscribe for Shares;
  - (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
  - (iii) to issue and allot from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange;
  - (iv) to make application at the appropriate time or times to the Stock Exchange; and any stock exchanges upon which the issued Shares may for the time being be listed, for listing of and permission to deal in any Shares which may thereafter from time to time be issued and allotted pursuant to the exercise of the options under the New Share Option Scheme;
  - (v) to consent, if they deem fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Option Scheme; and
- (b) subject to paragraph (a) hereinabove, the share option scheme adopted by the Company at its extraordinary general meeting held on 21 August 2003 be and is hereby terminated (save with respect to any outstanding, issued and unexercised options thereof) with effect from the adoption of the New Share Option Scheme.”

## ORDINARY RESOLUTION NO. 5

5. “THAT:

- (a) the deed of conditional waiver dated 30 October 2012 (as supplemented by the supplemental deed dated 19 November 2012) (the “**Deed of Conditional Waiver**”) executed by the Company in favour of the Covenantors (as defined below), pursuant to which the Company conditionally waives any claims, actions, proceedings, damages or equitable remedy that it may be entitled to under the Existing Undertakings (as defined below) in respect of the participation by any member of the Affiliated Groups (as defined below) in any Restricted Opportunity (as defined below) which may otherwise be prohibited under the Existing Undertakings, subject to their compliance with the provisions of the Deed of Conditional Waiver, be and is hereby approved, confirmed and ratified; and
- (b) for the purposes of this Resolution,
  - (i) “Affiliated Groups” means:
    - (1) Lai Sun Garment (International) Limited (“**LSG**”) and its subsidiaries and associated companies except the LSD Group, the eSun Group, the MAGH Group and the Company and its subsidiaries (the “**Group**”);
    - (2) Lai Sun Development Company Limited (“**LSD**”) and its subsidiaries and associated companies other than the eSun Group, the MAGH Group and the Group (the “**LSD Group**”);
    - (3) eSun Holdings Limited (“**eSun**”) and its subsidiaries other than the MAGH Group and the Group (the “**eSun Group**”); and
    - (4) Media Asia Group Holdings Limited and its subsidiaries (the “**MAGH Group**”);

while the “Affiliated Group” shall refer to any one of them and “its Affiliated Group” shall refer to the Affiliated Group of the respective Affiliated Issuer (as defined below) to which it relates;

- (ii) “Affiliated Issuers” means LSG, LSD, eSun and MAGH, while the “Affiliated Issuer” shall refer to any one of them;
- (iii) “Covenantors” means the covenantors that are listed corporations under the Existing Undertakings (as defined below), namely LSG and LSD;
- (iv) “Existing Undertakings” means the undertakings provided in the spin-off agreement between LSD and the Company, a deed of undertaking provided by LSD and the non-compete agreement among LSG, Dr. Lam Kin Ngok, Peter, Dr. Lam Kin Ming, the late Mr. Lim Por Yen and the Company, all dated 12 November 1997, details of which have been disclosed in the listing document of the Company dated 18 November 1997; and
- (v) “Restricted Opportunity” means in respect of each Affiliated Issuer, any bona fide offer or invitation of business opportunity(ies), the pursuance of which by any member of its Affiliated Group is prohibited under the Existing Undertakings.”

By Order of the Board  
**Lai Fung Holdings Limited**  
**Kwok Siu Man**  
*Company Secretary*

Hong Kong, 1 December 2012

*Registered Office:*

P.O. Box 309  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands

*Principal Place of Business in Hong Kong:*

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 EGM convened by the above notice (the “**Notice**”) (or its adjourned meeting) is entitled to appoint one (or, if he/she/it holds two or more shares in the Company (the “**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. A proxy need not be a Member.
- (2) A form of proxy for use at the EGM is accompanied with this Notice.

- (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 branch share registrars in Hong Kong, Tricor Tengis Limited (the "**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 EGM 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 EGM or 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 EGM, Members must lodge the relevant transfer document(s) and share certificate(s) at the office of the Registrars no later than 4:30 p.m. on Thursday, 13 December 2012 for registration.
- (5) Where there are joint registered holders of any Share, any one of such joint holders may attend and vote at the EGM or its adjourned meeting (as the case may be), either in person or by proxy, in respect of such Shares as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the EGM or its adjourned meeting (as the case may be) personally or by proxy, then one of such holders so present whose name stands first in the Register of Members or Hong Kong Branch Register of Members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
- (6) In compliance with Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), voting on all resolutions proposed in this Notice will be decided by way of a poll.
- (7) 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 EGM, the EGM will be postponed and the Members will be informed of the date, time and venue of the postponed EGM by a supplementary notice posted on the respective websites of the Company and the Stock Exchange.

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

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

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

- (8) Two circulars of the Company dated 1 December 2012 will be sent to Members separately containing the following:
  - (i) details regarding **Ordinary Resolutions nos. 1, 2, 3 and 4** are set out in a circular of the Company dated 1 December 2012 in relation to, among others, the proposals involving general mandates to repurchase shares and to issue shares as well as the termination of the Existing Share Option Scheme (as defined therein) and the adoption of the New Share Option Scheme (as defined therein) by the Company; and
  - (ii) details regarding **Ordinary Resolution no. 5** are set out in a circular of the Company dated 1 December 2012 in relation to the connected transaction in respect of the Deed of Conditional Waiver (as defined therein).

*As at the date of this announcement, the 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. Lau Shu Yan, Julius and Mr. Cheng Shin How; two Non-executive Directors, namely Mr. Leow Juan Thong, Jason and Mr. Lucas Ignatius Loh Jen Yuh (also alternate to Mr. Leow Juan Thong, Jason); and four Independent Non-executive Directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho and Mak Wing Sum, Alvin.*