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LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 191)

ANNOUNCEMENT

PROVISION OF A VOTING UNDERTAKING

INTRODUCTION

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

Reference is made to the LSD Announcement made by LSD on 12 July 2011. Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the LSD Announcement.

As disclosed in the LSD Announcement, on 12 July 2011 (after trading hours), the Purchaser, the Vendors, LSD, the Vendors' Guarantors and Cypress Trustee entered into the Acquisition Agreement, pursuant to which:

- (a) the Purchaser conditionally agreed to acquire and the Vendors conditionally agreed to sell the Sale Shares and the Sale Loans at the total consideration of HK\$845,635,574 (subject to adjustment in accordance with the terms and conditions of the Acquisition Agreement); and
- (b) the Vendors granted an option to the Purchaser to purchase the Remaining Shares and the Remaining Loans for the consideration of HK\$169,127,115 (subject to adjustment in accordance with the terms and conditions of the Acquisition Agreement), exercisable by the Purchaser during the periods prescribed in the Acquisition Agreement.

The Sale Shares represent 50% of the entire issued share capital of the Target, and the Sale Loans represent 50% of all the shareholders' loans owing by the Target to its shareholders, and 5/6th of the entire amount of shareholders' loans owing by the Target to the Vendors, as at the date of the Acquisition Agreement and on the Completion Date.

The Remaining Shares represent 10% of the entire issued share capital of the Target as at the date of the Acquisition Agreement. The Remaining Loans represent 1/6th of the entire amount of shareholders' loans owing by the Target to Focal, Keyfull and Cypress Trustee (on behalf of Cypress), being in aggregate HK\$66,517,809 as at the date of the Acquisition Agreement and immediately prior to Completion.

Completion is conditional upon, among other things, the approval by the shareholders of LSD (other than those who are required to abstain from voting under the Listing Rules or the applicable laws, rules and regulations) of the Acquisition Agreement and the transactions contemplated under the Acquisition Agreement (if required) at the EGM, in compliance with the requirements of the Listing Rules.

VOTING UNDERTAKING BY THE COMPANY

As at the date of this announcement, the Company together with its subsidiaries is interested in 6,792,869,192 shares of HK\$0.01 each in LSD, representing approximately 47.97% of the issued share capital of LSD. As the Company does not have a material interest in the Acquisition which is different from the interests of other shareholders of LSD, the Company is not required to abstain from voting on the resolutions to be proposed at the EGM in respect of the Acquisition and the transactions contemplated thereunder.

Pursuant to the Acquisition Agreement, LSD shall within three Business Days after the date of the Acquisition Agreement deliver to the Vendors an undertaking by the Company, being the controlling shareholder of LSD, under which the Company will undertake to the Vendors that, amongst others, the Company will and will procure its subsidiaries to exercise all their voting rights in LSD to vote in favour of the resolutions to be proposed at the EGM to approve the Acquisition Agreement and the transactions under the Acquisition Agreement or otherwise in relation to fulfillment of Condition (a) set out in the paragraph headed “Conditions Precedent” in the LSD Announcement.

The Board intends to issue the Voting Undertaking on or before 15 July 2011 (being the third Business Day after the date of the Acquisition Agreement).

As the Acquisition may or may not become unconditional, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the respective meanings as set out below:

“Board”	the board of directors of the Company;
“Company”	Lai Sun Garment (International) Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 191);
“LSD”	Lai Sun Development Company Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 488);
“LSD Announcement”	the announcement made by LSD on 12 July 2011 in relation to the Acquisition; and

“Voting Undertaking” the undertaking to be given by the Company to the Vendors pursuant to the Acquisition Agreement.

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

Hong Kong, 12 July 2011

As at the date of this announcement, the executive directors of the Company are Dr. Lam Kin Ming (Chairman), Dr. Lam Kin Ngok, Peter (Deputy Chairman), Mr. Shiu Kai Wah, Mr. Lam Kin Hong, Matthew, Mr. Tam Kin Man, Kraven, Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu) and Mr. Lui Siu Tsuen, Richard; the non-executive directors are Madam U Po Chu, Mr. Chiu Wai, Miss Leung Churk Yin, Jeanny and Mr. Wan Yee Hwa, Edward; and the independent non-executive directors are Messrs. Leung Shu Yin, William, Lam Bing Kwan and Chow Bing Chiu.