

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 (the “**AGM**”) of the members (the “**Members**”) of Lai Sun Development Company 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 11:00 a.m. for the following purposes:

1. To consider and adopt the audited financial statements of the Company for the year ended 31 July 2012 (the “**Year**”) and the reports of the directors and the independent auditors thereon;
2. To elect two retiring directors of the Company (the “**Directors**”) and re-elect another retiring Director and to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
3. To re-appoint Ernst & Young, Certified Public Accountants of Hong Kong (“**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 (c) of this Resolution, the exercise by 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 (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 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 date of 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 (B)

“**THAT:**

the authorised share capital of the Company be and is hereby increased from HK\$270,000,000.00 divided into 27,000,000,000 ordinary shares of HK\$0.01 each (“**Shares**”) to HK\$380,000,000.00 divided into 38,000,000,000 Shares by the creation of an additional 11,000,000,000 Shares and that such Shares shall rank pari passu in all respects with the existing Shares in the Company and **THAT** any one Director or the Company Secretary of the Company be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts, deeds or things deemed by the Director to be incidental to, ancillary to or in connection with the matters contemplated in and for completion of the above increase of the authorised share capital of the Company.”

By Order of the Board
Lai Sun Development Company Limited
Kwok Siu Man
Company Secretary

Hong Kong, 19 November 2012

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 (the “**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 (the “**Articles of Association**”). A proxy need not be a Member.
2. A form of proxy for use at the AGM is enclosed 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 share registrars, 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 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 Thursday, 13 December 2012 for registration.
5. Where there are joint registered holders of any ordinary share of HK\$0.01 each in the Company (the “**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 93 of the Articles of Association, Mr. Chew Fook Aun (“**Mr. F.A. Chew**”) (appointed by the Board as an executive Director and the Deputy Chairman with effect from 5 June 2012) and Mr. Lam Hau Yin, Lester (appointed by the Board as an executive Director with effect from 1 November 2012) will retire as Directors at the AGM and, being eligible, offer themselves for election;
 - (ii) in accordance with Article 102 of the Articles of Association, Dr. Lam Kin Ngok, Peter (“**Dr. Peter Lam**”) (an executive Director and the Chairman) will retire from office as Director by rotation at the AGM. Being eligible, he offers himself for re-election;
 - (iii) in accordance with Rule 13.74 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**” and the “**Listing Rules**”, respectively), the particulars of Mr. F.A. Chew and Dr. Peter Lam are set out in the “Biographical Details of Directors” section of the Annual Report of the Company for the Year while the particulars of Mr. Lam Hau Yin, Lester are summarised below:

Mr. Lam Hau Yin, Lester (“**Mr. Lam**”), aged 31, was appointed an executive Director and a member of the executive committee of the Company with effect from 1 November 2012. He was also appointed an executive director of eSun Holdings Limited (“**eSun**”) with effect from the same date. Mr. Lam is currently an executive director and chief executive officer of Lai Fung Holdings Limited (“**Lai Fung**”) and an executive director of Lai Sun Garment (International) Limited (“**LSG**”). LSG is the ultimate holding company of the Company which in turn is the controlling shareholder of eSun, while eSun is the ultimate holding company of Lai Fung. The issued shares of LSG, eSun and Lai Fung are listed and traded on the Main Board of the Stock Exchange.

Mr. Lam holds a Bachelor of Science in Business Administration degree from the Northeastern University, Boston, the United States of America. He joined the Company as a vice president in January 2004 and has acquired working experience since 1999 in various companies engaged in securities investment, hotel operations, environmental products, entertainment and property development and investment. Mr. Lam is interested, within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong in 60,623,968 shares of LSG and 2,794,443 shares of eSun, representing approximately 3.75% and 0.22% of the issued share capital of LSG and eSun, respectively. Mr. Lam is a son of Dr. Peter Lam, an executive Director and the Chairman, a nephew of Dr. Lam Kin Ming, a non-executive Director and a grandson of Madam U Po Chu, another non-executive Director. Apart from the aforesaid, Mr. Lam does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company.

The Company and Mr. Lam have entered into a service contract with no fixed term but such contract is determinable by either the Company or Mr. Lam serving the other party not less than 3 months’ written notice or payment in lieu thereof. Mr. Lam will receive a monthly salary of HK\$112,320 and a discretionary bonus to be determined by the Board with reference to the results of the Company, his performance, duties and responsibilities as well as the prevailing market conditions. He will be subject to retirement from office by rotation once every three years since his last election at the AGM and will be eligible for re-election at future AGMs of the Company, in accordance with the provisions of the Articles of Association.

For the purpose of his election as a Director at the forthcoming AGM in accordance with Article 93 of the Articles of Association, there are no other matters which need to be brought to the attention of the shareholders of the Company, and there is no information which needs to be disclosed pursuant to any of the requirements under Rule 13.51(2) (h) to (v) of the Listing Rules.

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 will be re-appointed independent auditors of the Company for the year ending 31 July 2013 (“**Year 2013**”). Members should note that in practice, independent auditors’ remuneration for Year 2013 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 Year 2013, Members’ approval to delegate the authority to the Board to fix the independent auditors’ remuneration for Year 2013 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 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 (B) under agenda item 4 of this Notice relates to the proposed increase of the authorised share capital of the Company. The increase has been proposed to provide greater flexibility and accommodate future growth of the Company. The Directors have no present intention to allot and issue such new Shares.

9. In compliance with Rule 13.39(4) of the Listing Rules, voting on all resolutions proposed in this Notice will be decided by way of a 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 9:00 a.m. and 5:00 p.m. on the date of the AGM, the AGM will be postponed and 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 9:00 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.

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

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, Madam U Po Chu and Mr. Wan Yee Hwa, Edward; and

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