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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for independent advice.

If you have sold or transferred all your shares in **Lai Sun Development Company Limited**, you should at once hand this circular with the accompanying form of proxy, to the purchaser(s) or the transferee(s) or to the licensed securities dealer, registered institution in securities, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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LAI SUN DEVELOPMENT

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

(Stock Code: 488)

(1) PROPOSED GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES (2) RE-ELECTION OF RETIRING DIRECTORS (3) NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in the lower portion of this cover page shall have the respective meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 4 to 12 of this circular.

The notice convening the annual general meeting of the Company ("AGM") to be held at the Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Friday, 17 December 2021 at 11:00 a.m. ("2021 AGM") is set out on pages 17 to 22 of this circular.

Shareholders are advised to read the Notice of 2021 AGM and if you are not able to attend the 2021 AGM or any adjournment (as the case may be) in person but wish to exercise your right as a Shareholder, please complete, sign and return the form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for holding the 2021 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the 2021 AGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Considering the outbreak of the novel coronavirus (COVID-19), certain measures will be implemented at the 2021 AGM or its adjournment (as the case, may be) with a view to addressing the risk to attendees of infection, including the following:

- a) all attendees will be required to undergo body temperature check;
- b) all attendees will be required to complete a health declaration form (a copy of the form is enclosed with this circular), which may be used for contact tracing, if required;
- c) any attendees who are subject to health quarantine prescribed by the Government of the HKSAR will not be admitted to the venue of the 2021 AGM;
- d) all attendees will be required to wear surgical face masks throughout the 2021 AGM;
- e) each attendee will be assigned a designated seat at the time of registration to ensure social distancing;
- f) any person who does not comply with the measures above may be denied entry into, or be required to leave, the venue of the 2021 AGM; and
- g) no refreshments or beverages will be provided, and there will be no corporate gifts.

The Company reminds Shareholders that they should carefully consider the risks of attending the 2021 AGM, taking into account their own personal circumstances. The Company would like to remind Shareholders that physical attendance in person at the 2021 AGM is not necessary for the purpose of exercising their voting rights and **strongly recommends that Shareholders appoint the Chairman of the 2021 AGM as their proxy** and submit their form of proxy as early as possible. In light of the risks posed by the COVID-19 pandemic, the Company **strongly encourages Shareholders NOT to attend the 2021 AGM in person**.

The Company will keep the evolving COVID-19 situation under review and may implement additional measures (which it will announce closer to the date of the 2021 AGM).

Hong Kong, 18 November 2021

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This circular in both English and Chinese is available in printed form and published on the respective websites of the Company at “<http://www.laisun.com>” and Hong Kong Exchanges and Clearing Limited at “<http://www.hkexnews.hk>”. The English version will prevail in case of any inconsistency between the English and Chinese version of the circular.

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“2021 AGM”	the AGM to be convened and held at the Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Friday, 17 December 2021 at 11:00 a.m. or at any adjournment thereof;
“AGM”	annual general meeting of the Company;
“Annual Report”	the 2020-2021 Annual Report of the Company;
“Articles of Association”	the Articles of Association of the Company;
“associate”	has the same meaning ascribed thereto in Rule 1.01 of the Listing Rules;
“Board”	the board of Directors;
“Buy-Back Mandate”	proposed general mandate to be granted at the 2021 AGM to the Directors to buy back Shares not exceeding 10% of the issued share capital of the Company as at the date of passing the resolution granting the general mandate;
“close associate(s)”	has the same meaning ascribed thereto in Rule 1.01 of the Listing Rules;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“Company”	Lai Sun Development Company Limited (麗新發展有限公司), a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 488);
“controlling shareholder”	has the same meaning ascribed thereto in Rule 1.01 of the Listing Rules;
“core connected person(s)”	has the same meaning ascribed thereto in Rule 1.01 of the Listing Rules;

DEFINITIONS

“Director(s)”	the director(s) of the Company;
“Dr. Peter Lam”	Dr. Lam Kin Ngok, Peter, an executive Director and the Chairman of the Board of the Company;
“eSun”	eSun Holdings Limited (豐德麗控股有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 571) which was held as to approximately 74.62% by the Company as at the Latest Practicable Date;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong” or “HKSAR”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Lai Fung”	Lai Fung Holdings Limited (麗豐控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 1125) which was held as to approximately 55.08% by the Company as at the Latest Practicable Date;
“Latest Practicable Date”	12 November 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time);
“LSG”	Lai Sun Garment (International) Limited (麗新製衣國際有限公司), a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 191) and is the ultimate holding company of the Company;
“Notice of 2021 AGM”	the notice convening the 2021 AGM;

DEFINITIONS

“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the Notice of 2021 AGM;
“Retiring Directors”	the Directors namely, Dr. Lam Kin Ngok, Peter, Mr. Chew Fook Aun, Mr. Lam Hau Yin, Lester and Mr. Leung Wang Ching, Clarence who will retire as Directors by rotation at the 2021 AGM and being eligible, have offered themselves for re-election as Directors at the 2021 AGM;
“SFC”	Securities and Futures Commission in Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time;
“Share(s)”	share(s) in the share capital of the Company;
“Shares Issue Mandate”	proposed general mandate to be granted at the 2021 AGM to the Directors to allot, issue and deal in shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution granting the general mandate;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC (as amended, supplemented or otherwise modified from time to time); and
“%”	per cent.

LETTER FROM THE BOARD



LAI SUN DEVELOPMENT

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

(Stock Code: 488)

Executive Directors:

Dr. Lam Kin Ngok, Peter (*Chairman*)
Mr. Chew Fook Aun (*Deputy Chairman*)
Mr. Lau Shu Yan, Julius (*Chief Executive Officer*)
Mr. Lam Hau Yin, Lester
(*also alternate director to Madam U Po Chu*)
Mr. Tham Seng Yum, Ronald

Registered Office:

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

Non-executive Director:

Madam U Po Chu

Independent Non-executive Directors:

Mr. Ip Shu Kwan, Stephen
Mr. Lam Bing Kwan
Mr. Leung Shu Yin, William
Mr. Leung Wang Ching, Clarence

18 November 2021

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED GENERAL MANDATES
TO BUY BACK SHARES AND TO ISSUE SHARES
(2) RE-ELECTION OF DIRECTORS
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the last AGM held on 18 December 2020, general mandates were granted by the Shareholders to the Directors to exercise the powers of the Company (1) to buy back Shares; and (2) to issue, allot and deal with new additional Shares up to (1) 10% and (2) 20%, respectively of the Company's issued shares as at the date of passing the resolutions. Pursuant to the provisions of the Listing Rules, such general mandates will lapse at the conclusion of the 2021 AGM.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information regarding, among others, (i) the proposed general mandates to be granted to the Directors to buy back Shares and to issue new Shares and the extension of such mandate; (ii) the re-election of the Retiring Directors; and (iii) to seek your approval at the 2021 AGM in connection with such matters.

2. GENERAL MANDATE TO BUY BACK SHARES

At the last AGM held on 18 December 2020, a general mandate was granted to the Directors to exercise the powers of the Company to buy back Shares. This general mandate will lapse at the conclusion of the 2021 AGM.

At the 2021 AGM, an ordinary resolution will be proposed which, if passed, will grant the Directors a general and unconditional mandate to exercise all the powers of the Company to buy back not exceeding 10% of the aggregate number of shares of the Company in issue as at the date of passing the resolution (“**Buy-Back Mandate**”), for the period from the said date until the conclusion of the next AGM or such other period as stated in the ordinary resolution.

An explanatory statement, as required under the Listing Rules to be given to the Shareholders concerning the Buy-Back Mandate, is set out in the Appendix to this circular and contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution relating to the Buy-Back Mandate.

3. GENERAL MANDATE TO ISSUE SHARES

At the last AGM held on 18 December 2020, a general mandate was granted to the Directors to issue, allot and deal with additional Shares not exceeding 20% of the aggregate number of shares of the Company in issue. Such general mandate will lapse at the conclusion of the 2021 AGM.

It will be proposed at the 2021 AGM an ordinary resolution granting to the Directors a general and unconditional mandate to allot, issue and deal with additional Shares representing up to 20% of the aggregate number of shares of the Company in issue as at the date of passing the resolution, for the period from the said date until the conclusion of the next AGM or such other period as stated in the ordinary resolution contained in the Notice of 2021 AGM and adding to such mandate so granted to the Directors any Shares bought back by the Company under the Buy-Back Mandate (“**Shares Issue Mandate**”).

LETTER FROM THE BOARD

Subject to the passing of the ordinary resolutions granting the Shares Issue Mandate and on the basis that no further Shares are issued or bought back prior to the 2021 AGM, the Company would be allowed under the Shares Issue Mandate to issue a maximum of 193,777,177 Shares representing 20% of the aggregate number of shares of the Company in issue as at the date of passing the resolutions.

The Company has no immediate plans to allot and issue new additional Shares under the Shares Issue Mandate.

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 102 of the Articles of Association, Dr. Lam Kin Ngok, Peter (“**Dr. Peter Lam**”), Mr. Chew Fook Aun (“**Mr. FA Chew**”), Mr. Lam Hau Yin, Lester (“**Mr. Lester Lam**”) and Mr. Leung Wang Ching, Clarence (“**Mr. Clarence Leung**”) will retire from office as Directors by rotation at the 2021 AGM (“**Retiring Directors**”). Being eligible, they offer themselves for re-election.

In accordance with Rule 13.74 of the Listing Rules, the biographical details of Dr. Peter Lam, Mr. FA Chew, Mr. Lester Lam and Mr. Clarence Leung are set out below:

Dr. Lam Kin Ngok, Peter, Chairman, aged 64, has been an Executive Director since June 1977 and is a member of the Executive Committee of the Company. He is also the chairman and an executive director of LSG and Media Asia Group Holdings Limited (“**MAGHL**”) and an executive director of Crocodile Garments Limited, a company listed on the Main Board of the Stock Exchange. Dr. Lam was an executive director of eSun from 15 October 1996 to 13 February 2014 and was the chairman and an executive director of Lai Fung from 25 November 1993 to 31 October 2012. Dr. Lam has extensive experience in the property development and investment business, hospitality and media and entertainment business. He was conferred an Honorary Doctorate by The Hong Kong Academy for Performing Arts in June 2011. Dr. Lam received the Gold Bauhinia Star award from the Government of the Hong Kong Special Administrative Region (“**HKSAR**”) on 1 July 2015.

LETTER FROM THE BOARD

Currently, Dr. Lam is the chairman of the Hong Kong Trade Development Council. He is also a standing committee member of the 13th National Committee of the Chinese People's Political Consultative Conference. In addition, Dr. Lam is the chairman of Hong Kong Chamber of Films Limited, a life honorable president of Hong Kong Motion Picture Industry Association Limited, a director of The Real Estate Developers Association of Hong Kong, a trustee of The Better Hong Kong Foundation, a vice chairman of Friends of Hong Kong Association Limited, a director of Hong Kong-Vietnam Chamber of Commerce Limited, an honorary chairman of Federation of HK Jiangsu Community Organisations, the president of Hong Kong Association of Cultural Industries Limited, the chairman of Hong Kong Cultural Development Research Institute Limited, a non-official member of the Trade and Industry Advisory Board, a member of each of the board of West Kowloon Cultural District Foundation Limited (a wholly-owned subsidiary of West Kowloon Cultural District Authority) and the general committee of Hong Kong General Chamber of Commerce.

Dr. Lam is the son of Madam U Po Chu (a Non-executive Director of the Company) and the father of Mr. Lam Hau Yin, Lester (an Executive Director of the Company).

Dr. Lam does not have a service contract with the Company. However, in accordance with the provisions of the Articles of Association, he will be subject to retirement from office as director by rotation once every three years if re-elected at the 2021 AGM and will also be eligible for re-election at future AGMs. Dr. Lam presently receives from the Company an annual remuneration of HK\$13,985,280 and discretionary bonus to be determined by the Board with reference to the performance of the Company, his duties and responsibilities with the Company as well as prevailing market practice. Dr. Lam also receives an annual remuneration and an annual director's fee of HK\$3,096,840 and HK\$48,000 from LSG, an annual remuneration of HK\$11,188,200 and HK\$2,797,320 from eSun and Lai Fung and an annual director's fee of HK\$180,000 from MAGHL, respectively.

As at the Latest Practicable Date, Dr. Lam is interested or deemed to be interested within the meaning of Part XV of the SFO in 516,040,136 shares and share options comprising 486,452 shares in the Company, 246,669,483 shares and share options comprising 425,033 shares in LSG, 1,113,260,272 shares in eSun and 182,318,266 shares and share options comprising 321,918 shares in Lai Fung. Dr. Lam is also interested in US\$10,000,000 5% guaranteed medium term notes due 2026 issued by Lai Sun MTN Limited, a wholly-owned subsidiary of the Company. Save as disclosed herein, Dr. Lam does not hold any interest or short position in the shares, underlying shares and/or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

For the purpose of his re-election as a director of the Company at the 2021 AGM in accordance with Article 102 of the Articles of Association, save as disclosed above, 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 is discloseable pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

LETTER FROM THE BOARD

Mr. Chew Fook Aun, aged 59, was appointed the Deputy Chairman and an Executive Director of the Company on 5 June 2012. He is a member of the Executive Committee and Remuneration Committee of the Company and is also a deputy chairman and an executive director of LSG, an executive director of eSun and the chairman and an executive director of Lai Fung.

Prior to joining the Lai Sun Group, Mr. Chew was an executive director and the group chief financial officer of Esprit Holdings Limited (“**Esprit**”) from 1 February 2009 to 1 May 2012, an executive director and the chief financial officer of The Link Management Limited (now known as Link Asset Management Limited) acting as manager of The Link Real Estate Investment Trust (now known as Link Real Estate Investment Trust (“**Link REIT**”)) from February 2007 to January 2009. He was also the chief financial officer of Kerry Properties Limited (“**Kerry Properties**”) from 1996 to 2004, a director of corporate finance for Kerry Holdings Limited from 1998 to 2004 and an executive director of Kyard Limited in charge of the property portfolio of a private family office from 2004 to 2007. The issued shares of Esprit and Kerry Properties and the issued units of the Link REIT are listed and traded on the Stock Exchange.

Mr. Chew has over 30 years of experience in accounting, auditing and finance in the United Kingdom (“**UK**”) and Hong Kong. He graduated from the London School of Economics and Political Science of the University of London in the UK with a Bachelor of Science (Economics) Degree. Mr. Chew is a fellow member of both the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and The Institute of Chartered Accountants in England and Wales. He was a council member of the HKICPA from 2003 to 2010 and its vice president in 2010. Mr. Chew is a board member of the Hong Kong Sports Institute Limited and has been appointed as Vice Chairman for a term of two years with effect from 1 April 2021 to 31 March 2023. He has been re-appointed as a member of the Barristers Disciplinary Tribunal Panel for a further term of five years with effect from 1 September 2020. He was a member of the Advisory Committee of the Securities and Futures Commission from 1 June 2007 to 31 May 2013, the Citizens Advisory Committee on Community Relations of the Independent Commission Against Corruption (“**ICAC**”) from 1 January 2007 to 31 December 2008, the Corruption Prevention Advisory Committee of the ICAC from 1 January 2009 to 31 December 2014, the Operations Review Committee of the ICAC from 1 January 2015 to 31 December 2020, the Standing Committee on Company Law Reform of the Companies Registry from 1 February 2009 to 31 January 2015, a council member of the Financial Reporting Council (“**FRC**”) in 2009 and ended on 30 November 2015 and a member of the Investigation and Compliance Committee of the FRC until 30 September 2021.

LETTER FROM THE BOARD

The Company has entered into an employment contract with Mr. Chew with no fixed term, but such contract is determinable by the Company or Mr. Chew by serving the other party not less than 3 months' written notice or payment in lieu thereof. In accordance with the provisions of the Articles of Association, Mr. Chew will be subject to retirement as director by rotation once every three years if re-elected at the 2021 AGM and will also be eligible for re-election at future AGMs. Mr. Chew presently receives from the Company an annual remuneration of HK\$8,010,000 and discretionary bonus to be determined by the Board with reference to the results of the Company and its subsidiaries, his performance, duties and responsibilities as well as the prevailing market conditions. Mr. Chew also receives an annual remuneration of HK\$1,335,360, HK\$4,005,120 and HK\$4,005,120 from each of LSG, eSun and Lai Fung.

Save as disclosed above, Mr. Chew does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, except for his personal or deemed interest in 1,831,500 shares and share options comprising 2,275,301 shares in the Company and share options comprising 4,869,867 shares in LSG. Mr. Chew does not hold any interest or short position in the shares, underlying shares and/or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

For the purpose of his re-election as a director of the Company at the 2021 AGM in accordance with Article 102 of the Articles of Association, save as disclosed above, 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 is discloseable pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Lam Hau Yin, Lester, aged 40, was appointed an Executive Director and a member of the Executive Committee of the Company with effect from 1 November 2012. He is also an alternate director to Madam U Po Chu, a non-executive director of the Company. He is an executive director of LSG and eSun as well as an executive director and the chief executive officer of Lai Fung. Further, Mr. Lam is an alternate director to Madam U Po Chu in her capacity as an executive director of LSG and Lai Fung as well as a non-executive director of eSun.

Mr. Lam holds a Bachelor of Science in Business Administration degree from the Northeastern University in Boston of the United States of America. He completed the Kellogg-HKUST Executive MBA program in 2016. Mr. Lam has acquired working experience since 1999 in various companies engaged in securities investment, hotel operations, environmental products, entertainment and property development and investment. He is currently a member of the general committee of The Chamber of Hong Kong Listed Companies.

Mr. Lam is a son of Dr. Peter Lam (Chairman and an Executive Director of the Company) and a grandson of Madam U Po Chu (a Non-executive Director of the Company).

LETTER FROM THE BOARD

The Company has entered into a service contract with Mr. Lam with no fixed term, but such contract is determinable by the Company or him by giving the other party not less than 3 months' notice or payment in lieu thereof. In accordance with the provisions of the Articles of Association, he will be subject to retirement from office as director by rotation once every three years if re-elected at the 2021 AGM and will also be eligible for re-election at future AGMs. Mr. Lam presently receives an annual remuneration of HK\$1,748,160 and is entitled to receive such other remuneration and discretionary bonus as may be determined by the Board from time to time with reference to the performance of the Company, his duties and responsibilities with the Company as well as prevailing market practice. Mr. Lam also receives an annual remuneration of HK\$1,592,040 from Lai Fung.

Save as disclosed above, Mr. Lam does not have any relationship with any other directors, senior management or substantial or controlling shareholders. As at the Latest Practicable Date, except for his personal interest in the share options comprising 4,864,519 shares in the Company, 18,688,812 shares and share options comprising 4,869,867 shares in LSG, 2,794,443 shares in eSun and share options comprising 3,219,182 shares in Lai Fung, Mr. Lam does not hold any interest or short position in the shares, underlying shares and/or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

For the purpose of his re-election as a director of the Company at the 2021 AGM in accordance with Article 102 of the Articles of Association, save as disclosed above, 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 is discloseable pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Leung Wang Ching, Clarence, aged 42, was appointed an Independent Non-Executive Director of the Company with effect on 1 August 2018. He is a member of the Audit Committee of the Company.

Mr. Leung graduated from the University of Cambridge in the United Kingdom with a Bachelor of Arts degree and a Master of Arts degree in Economics in June 1999 and March 2003, respectively. Mr. Leung has approximately 18 years of experience in the textile and apparel industry. He is a director of Sun Hing Knitting Factory Limited and an independent non-executive director of Hingtex Holdings Limited, a company listed on the Main Board of the Stock Exchange.

LETTER FROM THE BOARD

Mr. Leung participates in several government committees of the HKSAR. Mr. Leung is a vice chairman of Community Care Fund Task Force. He is member of the Tourism Strategy Group, the Hong Kong Tourism Board, the Youth Development Commission and board member of the Vocational Training Council. He also served as member of the Town Planning Board, Textiles Advisory Board, the HKSAR SME Committee, the Trade and Industry Advisory Board, the Legal Aid Services Council, the Commission on Poverty and non-full-time member of the Central Policy Unit.

Mr. Leung does not have a service contract with the Company. However, in accordance with the provisions of the Articles of Association, he will be subject to retirement from office as director by rotation once every three years if re-elected at the 2021 AGM and will also be eligible for re-election at future AGMs. Mr. Leung presently receives an annual director's fee of HK\$350,000 and is entitled to receive such other remuneration and discretionary bonus as may be determined by the Board from time to time with reference to the results of the Company, his performance, duties and responsibilities as well as the prevailing market conditions.

Save as disclosed above, Mr. Leung does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Leung does not have any interests or short positions in the shares, underlying shares and/or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

For the purpose of his re-election as a director of the Company at the 2021 AGM in accordance with Article 102 of the Articles of Association, save as disclosed above, 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 is discloseable pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

5. 2021 AGM

The resolutions in relation to the above proposed Buy-Back Mandate and Shares Issue Mandate are contained in the Notice of 2021 AGM. The Notice of 2021 AGM is set out on pages 17 to 22 of this circular.

Shareholders are advised to read the Notice of 2021 AGM and if you are not able to attend the 2021 AGM or its adjournment (as the case may be) in person but wish to exercise your right as a Shareholder, please complete, sign and return the form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for holding the 2021 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the 2021 AGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the 2021 AGM.

6. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, save for resolutions which relate purely to procedure or administrative matter to be voted by a show of hands, any vote of the Shareholders at a general meeting of the Company must be taken by way of a poll. Accordingly, each of the resolutions to be considered and, if thought fit, passed at the 2021 AGM will be voted by way of a poll by the Shareholders. Article 79 of the Articles of Association provides that on a poll, every Shareholder present in person or by proxy shall have one vote for every Share held by that Shareholder. An explanation of the procedures of conducting a poll is provided in the notes to the Notice of 2021 AGM and details will be conveyed to the Shareholders at the 2021 AGM. The Company will publish an announcement on the poll results of the resolutions on the respective websites of the Company at "www.laisun.com" and the Stock Exchange at "www.hkexnews.hk" promptly after the conclusion of the 2021 AGM.

7. RECOMMENDATION

The Directors consider that the proposed Buy-Back Mandate, the Shares Issue Mandate, and the re-election of the Retiring Directors as mentioned above are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the relevant resolutions to be proposed at the 2021 AGM.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
For and on behalf of the Board of
Lai Sun Development Company Limited
Lam Kin Ngok, Peter
Chairman

This explanatory statement contains all the information required by Rule 10.06(1)(b) of the Listing Rules to be given to the Shareholders reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution(s) relating to the Buy Back Mandate.

(I) EXERCISE OF THE BUY-BACK MANDATE

As at the Latest Practicable Date, the issued share capital of the Company comprised 968,885,887 Shares and there were outstanding options granted under the Share Option Scheme to subscribe for 14,370,180 Shares.

Subject to the passing of the ordinary resolution granting the Buy-Back Mandate and on the basis that no further Shares will be issued (whether generally or pursuant to the exercise of the subscription rights attaching to the outstanding options) prior to the date of the 2021 AGM, exercise in full of the Buy-Back Mandate would result in up to a maximum of 96,888,588 Shares representing 10% of the existing issued share capital of the Company as at the Latest Practicable Date being bought back by the Company during the relevant period.

(II) REASONS FOR BUY-BACK

Although the Directors have no present intention of buying back any Shares, they believe that the flexibility afforded by the Buy-Back Mandate will be in the best interests of the Company and the Shareholders as a whole. Such buy back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value and/or earnings per Share and will only be made when the Directors believe that such buy-back will benefit the Company and the Shareholders as a whole (e.g. if there are occasions in the future when depressed market conditions arise and the Shares are trading at a discount to their underlying value).

(III) FUNDING OF BUY-BACK

Pursuant to the Buy-Back Mandate, the Company may only apply funds legally available for buy-back in accordance with the laws of Hong Kong in which the Company is incorporated and the existing Articles of Association. The finance for such buy-back may include the Company's available internal resources and/or the legally available funding facilities.

If the Buy-Back Mandate is to be exercised in full at any time during the proposed buy-back period, there may be a material adverse effect on the working capital or gearing position of the Group (as compared with the position disclosed in the published audited consolidated financial statements of the Company for the year ended 31 July 2021). However, the Directors do not propose to exercise the Buy-Back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which are, in the opinion of the Directors, appropriate for the Company from time to time.

(IV) SHARE PRICES

The highest and lowest prices per Share at which the Shares had been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
2020		
November	5.765	4.444
December	5.782	4.813
2021		
January	5.971	5.019
February	6.297	5.473
March	6.254	5.147
April	5.636	5.044
May	5.447	3.869
June	5.653	4.787
July	5.550	4.898
August	5.988	4.804
September	5.460	4.240
October	4.740	3.900
November (up to the Latest Practicable Date)	4.160	3.900

(V) BUY-BACK BY THE COMPANY

The Company had not made any buy-back of Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

(VI) INTENTION AND UNDERTAKING

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates (as defined under the Listing Rules) have any present intention to sell any Shares held by them to the Company under the Buy-Back Mandate if such Buy-Back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the Buy-Back Mandate in accordance with the Listing Rules, the Articles of Association and the relevant laws in Hong Kong applicable to the Company.

No core connected person (as defined under the Listing Rules) has notified the Company that he/she has a present intention to sell the Shares held by him/her to the Company, or has undertaken not to do so, in the event that the Buy-Back Mandate is approved by the Shareholders.

(VII) IMPLICATIONS OF THE TAKEOVERS CODE AND THE LISTING RULES

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of a share bought back by the Company, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code and Rule 6 of the Code on Share Buy-Backs. Accordingly, a Shareholder or a group of Shareholders acting in concert could, depending on the level of increase in their shareholding interest(s), obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer for Shares in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the controlling shareholders (as defined under the Listing Rules) of the Company named below were interested or were deemed to be interested under the SFO in the issued Shares and underlying Shares as follows:

Name	Capacity	Nature of Interests	Number of issued Shares and underlying Shares	Approximate percentage of total issued Shares
Lam Kin Ngok, Peter ("Dr. Peter Lam")	Beneficial owner/ Owner of controlled corporations	Personal and corporate	516,526,588	53.31% (Note)
LSG	Beneficial owner	Corporate	515,389,531	53.19%

Note:

LSG and two of its wholly-owned subsidiaries, namely Zimba International Limited and Joy Mind Limited, beneficially owned 515,389,531 Shares, representing approximately 53.19% of the issued share capital of the Company. Dr. Peter Lam was deemed to be interested in the same 515,389,531 Shares by virtue of, in aggregate, his personal (excluding underlying shares) and deemed interests of approximately 41.89% in the issued share capital of LSG. Dr. Peter Lam is the Chairman and an executive director of LSG.

In the event that the Company exercises the Buy-Back Mandate in full and taking no account of the issue of new Shares by the Company pursuant to any general or specific mandate given by the Shareholders at any general meeting and the Share Option Scheme adopted by the Company on 22 December 2006 and 11 December 2015, respectively or any other scheme or otherwise, the aggregate beneficial shareholding interests and deemed shareholding interests of Dr. Peter Lam and LSG in the Company will be (for illustration) as follows:

Name	Approximate percentage of issued share capital
Dr. Peter Lam	59.23%
LSG	59.10%

In the opinion of the Directors, the controlling shareholders of the Company would not be obliged to make a mandatory offer under Rule 26 and Rule 32 of the Takeovers Code as a result of such increase.

As disclosed in the Company's announcement dated 22 October 2021, the minimum public float requirement of 25% as set out in Rule 8.08(1)(a) of the Listing Rules was not held by public. Therefore, the Directors have no present intention to exercise the Buy-Back Mandate before the restoration of the Company's public float as required under the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



LAI SUN DEVELOPMENT

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

(Stock Code: 488)

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 the Grand Ballrooms 1 and 2, Level B, Hong Kong Ocean Park Marriott Hotel, 180 Wong Chuk Hang Road, Aberdeen, Hong Kong on Friday, 17 December 2021 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 2021 (“Year”) and the reports of the directors and the independent auditor of the Company 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 auditor of the Company for the ensuing year 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 buy back 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 Buy-Backs 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;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of the shares of the Company to be bought back by the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the total number of the shares of the Company in issue 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;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of the shares 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 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 total number of the shares of the Company in issue 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

NOTICE OF ANNUAL GENERAL MEETING

“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 such number of shares of the Company which has been bought back by the Company since the granting of such general mandate pursuant to the exercise by the Directors of the powers of the Company to buy back such shares, provided that such number of shares shall not exceed 10% of the total number of the shares of the Company in issue as at the date of passing of this Resolution.”

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

Hong Kong, 18 November 2021

Registered Office:

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

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A Member entitled to attend and vote at the AGM convened by the above notice (“**Notice**”) or its adjourned meeting (as the case may be) 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 enclosed with this Notice and is also available at the respective 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 registrar, Tricor Tengis Limited (“**Registrar**”), at Level 54, Hopewell Centre, 183 Queen’s Road East, 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 (as the case may be) 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 Registrar 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 Registrar not later than 4:30 p.m. on Monday, 13 December 2021 for registration.
5. Where there are joint registered holders of any ordinary share of 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, Dr. Lam Kin Ngok, Peter (“**Dr. Peter Lam**”), Mr. Chew Fook Aun (“**Mr. FA Chew**”), Mr. Lam Hau Yin, Lester (“**Mr. Lester Lam**”) and Mr. Leung Wang Ching, Clarence (“**Mr. Clarence Leung**”) 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 (“**Listing Rules**”), the particulars of Dr. Peter Lam, Mr. FA Chew, Mr. Lester Lam and Mr. Clarence Leung, are set out in the “Biographical Details of Directors” section of the Annual Report of the Company for the Year and the “Re-election of Directors” section of the circular of the Company dated 18 November 2021, respectively.
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 auditor of the Company for the year ending 31 July 2022 (“**Year 2022**”). Members should note that in practice, independent auditor’s remuneration for Year 2022 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 auditor are being called upon to undertake in any given year. To enable the Company to charge the amount of such independent auditor’s remuneration as operating expenses for the Year 2022, Members’ approval to delegate the authority to the Board to fix the independent auditor’s remuneration for the Year 2022 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 buy back shares of up to a maximum of 10% of the total number of the shares of the Company in issue as at the date of passing the said Resolution. Members’ attention is also drawn to the explanatory statement on the proposed buy-back mandate contained in the Appendix to the circular of the Company dated 18 November 2021.

NOTICE OF ANNUAL GENERAL MEETING

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 total number of the shares of the Company in issue 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 bought back under the buy-back mandate.

9. *Details regarding the Ordinary Resolutions (A), (B) and (C) under agenda item 4 of this Notice is set out in the circular of the Company dated 18 November 2021 in relation to, among others, the proposals involving general mandates to buy back shares and to issue shares.*
10. *In compliance with Rule 13.39(4) of the Listing Rules, voting on all resolutions proposed in this Notice will be taken by poll.*
11. *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 after 7:00 a.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 the Stock Exchange.*

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.

12. *Considering the outbreak of the novel coronavirus (COVID-19), certain measures will be implemented at the AGM (or its adjourned meeting (as the case may be)) with a view to addressing the risk to attendees of infection, including the following:*
 - a) *all attendees will be required to undergo body temperature check;*
 - b) *all attendees will be required to complete a health declaration form (a copy of the form is enclosed with the circular of the Company dated 18 November 2021), which may be used for contact tracing, if required;*
 - c) *any attendees who are subject to health quarantine prescribed by the Government of the HKSAR will not be admitted to the venue of the AGM;*
 - d) *all attendees will be required to wear surgical face masks throughout the AGM;*
 - e) *each attendee will be assigned a designated seat at the time of registration to ensure social distancing;*
 - f) *any person who does not comply with the measures above may be denied entry into, or be required to leave, the venue of the AGM; and*
 - g) *no refreshments or beverages will be provided, and there will be no corporate gifts.*
13. *The Company reminds Shareholders that they should carefully consider the risks of attending the AGM, taking into account their own personal circumstances. The Company would like to remind Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising their voting rights and **strongly recommends that Shareholders appoint the Chairman of the AGM as their proxy** and submit their form of proxy as early as possible. In light of the risks posed by the COVID-19 pandemic, the Company **strongly encourages Shareholders NOT to attend the AGM in person.***
14. *The Company will keep the evolving COVID-19 situation under review and may implement additional measures (which it will announce closer to the date of the AGM).*