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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 Harbour View Room I, 3rd Floor, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Friday, 11 May 2012 at 9:45 a.m. for the purposes of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company. Unless otherwise indicated, capitalised terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 24 April 2012 (the “Circular”).

ORDINARY RESOLUTIONS

1. “**THAT** the authorised share capital of the Company of HK\$1,200,000,000 comprising 12,000,000,000 Shares be and is hereby increased to HK\$2,000,000,000 comprising 20,000,000,000 Shares, by the creation of an additional 8,000,000,000 Shares.”
2. “**THAT** subject to (i) the resolution 3 below being duly passed, and (ii) the Underwriting Agreement dated 27 February 2012 entered into between the Company and eSun (a copy of the Underwriting Agreement has been tabled at the meeting marked “A” and initialled by the Chairman of the meeting for identification purpose) becoming unconditional and not being terminated in accordance with its terms:
 - (a) the issue of 8,047,956,478 Offer Shares at a subscription price of HK\$0.125 per Offer Share by way of an Open Offer on the basis of 1 Offer Share for every 1 Share to the Qualifying Shareholders on the terms and subject to the conditions set out in the Circular (a copy of the Circular has been produced at the meeting marked “B” and initialled by the Chairman of the meeting for identification purpose) be and is hereby approved; and
 - (b) any one or more Directors be and is/are hereby authorised to take such actions, do all such acts and things and execute all such further documents or deeds as he/she/they may, in his/her/their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder.”

3. “**THAT** the waiver (the “**Whitewash Waiver**”) granted or to be granted by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeover Code waiving any obligation (either unconditionally or subject to such conditions as may be required by the Executive) on the part of eSun and the parties acting in concert with it, to make a general offer for all the Shares not already owned by them or agreed to be acquired upon completion of or as a result of the transactions contemplated under the Open Offer and the Underwriting Agreement, be and is hereby approved, and any one or more Directors be and is/are hereby authorised to take such actions, do all such acts and things and execute all such further documents or deeds as he/she/they may, in his/her/their absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of or giving effect to or the completion of any matters relating to the Whitewash Waiver and the transactions contemplated thereunder.”
4. “**THAT** the absence of the arrangement for the Offer Shares not validly applied for by the Qualifying Shareholders which are in excess of the assured entitlement of the Qualifying Shareholders be and is hereby approved.”

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

Hong Kong, 24 April 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
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Notes:

1. A Member entitled to attend and vote at the EGM convened by the above notice (the “**Notice**”) (or any adjournment thereof) 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 enclosed with the 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 Tricor Tengis Limited, the branch share registrars of the Company in Hong Kong (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 proxy will 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 at any of its adjourned meeting should they so wish.

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 Tuesday, 8 May 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 were 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, that one of such holders so present whose name stands first in the register/branch register of Members in respect of such Share shall alone be entitled to vote in respect thereof.
6. eSun and its associates (as defined in the Listing Rules) and the parties acting in concert with it (as defined in the Takeovers Code) are required to abstain from voting on ordinary resolution 2 above. eSun and the parties acting in concert with it (as defined under the Takeovers Code) and shareholders who are involved in or interested in the transactions regarding the Open Offer and the Whitewash Waiver are required to abstain from voting on ordinary resolution 3 above.
7. Pursuant to Rule 13.39(4) of the Listing Rules, voting on the resolutions proposed in the Notice shall be decided by way of poll.
8. 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 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 Hong Kong Exchanges and Clearing Limited.

If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is lowered or cancelled at or before 9:00 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.

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

As at the date of this announcement, the Board comprises ten executive Directors, namely Dr. Lam Kin Ngok, Peter (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, Mr. Tam Kin Man, Kraven, Mr. Cheng Shin How, Mr. Lui Siu Tsuen, Richard and Mr. Cheung Sum, Sam; 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 three independent non-executive Directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun and Law Kin Ho.