

DEED OF IRREVOCABLE UNDERTAKING

Date: 12 August 2021

To: The Board of Directors
Lai Sun Development Company Limited (the “**Company**”)

The Board of Directors
Haitong International Securities Company Limited (the “**Underwriter**”)

Dear Sirs,

Re: Proposed issue of the Rights Shares by the Company on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date (the “Rights Issue”)

1. In this Deed, the following expressions shall have the following meanings unless the context otherwise requires.

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| “ Board ” | the board of Directors |
| “ Director(s) ” | the director(s) of the Company |
| “ Dr. Peter Lam ” | Dr. Lam Kin Ngok, Peter |
| “ EAF(s) ” | the excess application form(s) for use by the Qualifying Shareholders who wish to apply for the Excess Rights Shares |
| “ Excess Rights Shares ” | any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise subscribed for by transferees of nil-paid Rights Shares prior to the Latest Time for Acceptance, any entitlements of the Non-Qualifying Shareholders provisionally allotted to a nominee of the Company which are left unsold, the Scaled-down PAL Shares (if any), the Scaled-down EAF Shares (if any) and shall (for avoidance of any doubt) include any of the Rights Shares created from the aggregation of fractions of the Rights Shares which are left unsold |
| “ GO Obligation ” | the obligation to make a general offer under Rule 26 of the Takeovers Code |
| “ Hong Kong ” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “ Latest Time for Acceptance ” | 4:00 p.m. on 16 September 2021, or such later time or date as may be agreed by the Company and the Underwriter in writing, being the latest time and date for acceptance of and payment for the Rights Shares and application for and payment for Excess Rights Shares as described in the Prospectus Documents |

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| “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, a company incorporated in Hong Kong with limited liability under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), 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 |
| “Non-Qualifying Shareholder(s)” | the Overseas Shareholder(s) in respect of whom the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place |
| “Overseas Shareholder(s)” | the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong |
| “PAL(s)” | the provisional allotment letter(s) for the Rights Shares to be issued to the Qualifying Shareholders in respect of their entitlements under the Rights Issue |
| “Prospectus” | the prospectus to be issued by the Company in connection with the Rights Issue |
| “Prospectus Documents” | the Prospectus, the PAL and the EAF |
| “Public Float Requirement” | the public float requirement under Rules 8.08(1)(a) and 13.32(1) of the Listing Rules |
| “Qualifying Shareholder(s)” | Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s) |
| “Record Date” | 30 August 2021, or such other date as the Company and the Underwriter may agree in writing, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined |
| “Registrar” | Tricor Tengis Limited, the Company’s share registrar and transfer office |

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| “Rights Share(s)” | not less than 339,879,412 new Shares and not more than 345,834,663 new Shares proposed to be offered to the Qualifying Shareholders for subscription by way of the Rights Issue |
| “Scaled-down EAF Shares” | such number of Rights Shares applied for as excess application under the EAF(s) which would, if allotted by the Company, result in either the triggering of a GO Obligation on the part of the applicant or the failure to comply with the Public Float Requirement on the part of the Company |
| “Scaled-down PAL Shares” | such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in either the triggering of a GO Obligation on the part of the applicant or the failure to comply with the Public Float Requirement on the part of the Company |
| “Share(s)” | ordinary share(s) in the share capital of the Company |
| “Share Options” | the total of 12,327,810 outstanding share options to subscribe for 12,327,810 Shares granted under the existing and the former share option schemes of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription Price” | the subscription price of HK\$3.43 for each Rights Share under the Rights Issue |
| “Takeovers Code” | the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong |
| “Undertaking Covenantors” | collectively, Dr. Peter Lam and LSG |

2. We hereby jointly and severally confirm, undertake, represent and warrant to you that from the date hereof up to and including the Record Date, we are and will remain legally and/or beneficially interested in an aggregate of 344,026,758 Shares (representing approximately 56.20% of the entire issued share capital of the Company), of which 343,593,021 Shares (representing approximately 56.13% of the entire issued share capital of the Company as at the date hereof) are owned by LSG and 433,737 Shares (representing approximately 0.07% of the entire issued share capital of the Company as at the date hereof) are owned by Dr. Peter Lam.
3. We jointly, severally, irrevocably and unconditionally undertake and warrant to the Company and the Underwriter that:-
 - (i) we will not sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the Shares held by us or any one of us from the date hereof to the date of completion of the Rights Issue;

- (ii) we will respectively subscribe for and pay for in full, on the terms and conditions of the Prospectus Documents, the number of Rights Shares set out below (the “**Undertaken Shares**”) at the Subscription Price (or any other subscription price as announced by the Company pursuant to the Rights Issue) which will constitute all the provisional allotment of Rights Shares in respect of the Shares legally and/or beneficially owned by each of us pursuant to the terms of the Rights Issue, prior to the Latest Time for Acceptance; and

Number of Rights Shares to be subscribed for
by LSG: 171,796,510

Number of Rights Shares to be subscribed for
by Dr. Peter Lam: 216,868

- (iii) we will respectively lodge acceptances in respect of the Undertaken Shares with the Registrar or the Company, with payment in full therefor in cash (whether by cheque, bank cashier’s order or such other form as the Company may approve), in accordance with the terms and conditions of the Prospectus Documents prior to the Latest Time for Acceptance.
4. Each of us further irrevocably and unconditionally undertake and warrant to the Company and the Underwriter that in the event that any of us applies for Excess Rights Shares, each of us will observe the scale-down mechanism as mentioned in the paragraph headed “Scale-down of subscriptions to avoid triggering the GO Obligation and non-compliance with Public Float Requirement” in the joint announcement to be published by the Company and LSG in respect of, among others, the Rights Issue, so that each of us will not trigger any GO Obligation or cause the Company to become non-compliant with the Public Float Requirement.
5. I, Lam Kin Ngok, Peter, further irrevocably and unconditionally undertake and warrant to you that I will not exercise any of the Share Options I hold as at the date hereof, comprising a total of 417,308 underlying Shares, from the date hereof to the Record Date.
6. In the event that we should fail to comply with the undertakings given in Clause 3 above, without prejudice to any other rights or remedies available to the Company or the Underwriter, we hereby jointly, severally, irrevocably and unconditionally authorise the Company (unless otherwise agreed in writing with the Underwriter) to (i) treat this Deed as our acceptance of such number of Undertaken Shares (as specified in Clause 3(ii) above) allotted to each of us, respectively, on the terms and conditions of the Prospectus Documents, to allot and issue the same in our respective names and to procure the registration of the same in our respective names; and (ii) forthwith make full payment of the subscription monies for such number of Undertaken Shares (as specified in Clause 3(ii) above) offered to each of us, respectively.
7. This Deed shall be binding upon and enure for the benefit of our respective administrators, executors, personal representatives and successors.

8. This Deed shall lapse and the covenants set out herein shall cease to have effect if the Rights Issue does not become unconditional by 4:00 p.m. on 17 September 2021. In such case, we shall have no claim against the Company or the Underwriter, and the Company and the Underwriter shall have no claim against us.
9. This Deed is governed by and shall be construed in accordance with the laws of Hong Kong. We hereby irrevocably accept and submit to the non-exclusive jurisdiction of the courts of Hong Kong.

[Signature page to follow]

