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LAI SUN GARMENT

Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 191)



LAI SUN DEVELOPMENT

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

(Stock Code: 488)



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 571)



Media Asia Group Holdings Limited

(Incorporated in the Cayman Islands and continued
in Bermuda with limited liability)

(Stock Code: 8075)

JOINT ANNOUNCEMENT

TERMINATION OF (I) ACQUISITION TERM SHEET; AND (II) OPEN OFFER AND UNDERWRITING AGREEMENT

This joint announcement is made by Media Asia Group Holdings Limited (“**MAGHL**”, together with its subsidiaries, the “**MAGHL Group**”), eSun Holdings Limited (“**eSun**”), Lai Sun Development Company Limited (“**LSD**”) and Lai Sun Garment (International) Limited (“**LSG**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and Inside Information Provisions (as defined under the GEM Listing Rules and the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the joint announcement of MAGHL, eSun, LSD and LSG dated 6 November 2020 (the “**Announcement**”), the circular of eSun dated 30 November 2020 and the circular of MAGHL dated 30 November 2020 (the “**Circulars**”) in relation to, among other things, the Open Offer (including the Irrevocable Undertaking), the Underwriting Agreement, the Potential Acquisition and the transactions contemplated thereunder. Unless the context requires otherwise, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Announcement and Circulars.

TERMINATION OF NEGOTIATIONS ON THE POTENTIAL ACQUISITION

As disclosed in the Announcement, the Acquisition Term Sheet provides an exclusivity period of 90 days from the date of the Acquisition Term Sheet, during which the parties shall negotiate to agree and execute the formal transaction documents in respect of the Potential Acquisition. The terms and conditions of the Potential Acquisition are subject to negotiations between MAGHL and the Prospective Vendors, and no assurance that the parties will enter into a legally binding acquisition agreement in relation to the Potential Acquisition has been given. As at the date of this joint announcement, no formal agreement in respect of the Potential Acquisition has been entered into between MAGHL and the Prospective Vendors.

On 12 January 2021, MAGHL terminated negotiations on the Potential Acquisition in accordance with the Acquisition Term Sheet, and neither MAGHL nor VS Media shall have any liability or further obligation to the other parties. Nevertheless, as the management of MAGHL remains keen to expand the content production business of the MAGHL Group and, in particular content related to social media e-commerce, MAGHL is exploring alternative ways to collaborate with VS Media, including but not limited to a joint venture. As at the date of this joint announcement, no agreement(s) have been entered into in respect of any new form of collaboration with VS Media, which is subject to the decision of the board of directors of MAGHL (the “**MAGHL Board**”), and there is no assurance that any transaction will materialise. MAGHL will keep its shareholders and investors informed by way of announcement(s) in compliance with the requirements of the GEM Listing Rules as and when appropriate.

The MAGHL Board considers that the termination of the Acquisition Term Sheet has no adverse impact on the business operations and financial position of the MAGHL Group, and MAGHL will continue to explore other strategic opportunities for its long-term development and transformation.

TERMINATION OF UNDERWRITING AGREEMENT, OPEN OFFER AND THE IRREVOCABLE UNDERTAKING

The MAGHL Board announces that in view of its funding requirements after a review of its current operational plans and the termination of the Acquisition Term Sheet as disclosed above, after trading hours of the Stock Exchange on 12 January 2021, MAGHL and the Underwriter mutually agreed to terminate the Underwriting Agreement with immediate effect and entered into a deed of termination in that relation, whereupon the respective parties’ obligations have ceased and determined and neither party shall have any claim against the other in respect of the Underwriting Agreement (save for any antecedent breaches thereof). Accordingly, the Open Offer and the Irrevocable Undertaking will not proceed.

The MAGHL Board believes that the termination of the Open Offer has no material adverse impact on the business operations and financial position of the MAGHL Group. As a result of such termination, MAGHL will reformulate, or revise the business plans regarding the film projects which were originally proposed to be funded by the Open Offer. Moreover, MAGHL may consider engaging in further fund-raising activities, including but not limited to the potential placing under the specific mandate, which was disclosed in the Announcement, after taking into account the future development of the MAGHL Group and the market conditions. MAGHL will keep its shareholders and investors informed by way of announcement(s) in compliance with the requirements of the GEM Listing Rules as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of MAGHL.

By order of the Board
Lai Sun Garment (International) Limited
Chew Fook Aun
Executive Director and Deputy Chairman

By order of the Board
Lai Sun Development Company Limited
Chew Fook Aun
Executive Director and Deputy Chairman

By order of the Board
eSun Holdings Limited
Lui Siu Tsuen, Richard
*Executive Director and
Chief Executive Officer*

By order of the Board
Media Asia Group Holdings Limited
Lui Siu Tsuen, Richard
Executive Director

Hong Kong, 12 January 2021

As at the date of this joint announcement,

- (a) *the board of directors of LSG comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (Deputy Chairman), Mr. Chew Fook Aun (Deputy Chairman), Madam U Po Chu, Mr. Lam Kin Hong, Matthew and Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu); and three independent non-executive directors, namely Messrs. Leung Shu Yin, William, Lam Bing Kwan and Chow Bing Chiu;*
- (b) *the board of directors of LSD comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman) and Messrs. Chew Fook Aun (Deputy Chairman), Lau Shu Yan, Julius (Chief Executive Officer), Lam Hau Yin, Lester (also alternate to Madam U Po Chu) and Tham Seng Yum, Ronald; one non-executive director, namely Madam U Po Chu; and four independent non-executive directors, namely Messrs. Lam Bing Kwan, Leung Shu Yin, William, Ip Shu Kwan, Stephen and Leung Wang Ching, Clarence;*
- (c) *the board of directors of eSun comprises four executive directors, namely Messrs. Lui Siu Tsuen, Richard (Chief Executive Officer), Chew Fook Aun, Lam Hau Yin, Lester (also alternate to Madam U Po Chu) and Yip Chai Tuck; one non-executive director, namely Madam U Po Chu; and four independent non-executive directors, namely Messrs. Low Chee Keong (Chairman), Lo Kwok Kwei, David and Alfred Donald Yap and Dr. Ng Lai Man, Carmen; and*
- (d) *the MAGHL Board comprises four executive directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Messrs. Chan Chi Kwong, Lui Siu Tsuen, Richard and Yip Chai Tuck; and three independent non-executive directors, namely Messrs. Au Hoi Fung, Ng Chi Ho, Dennis and Poon Kwok Hing, Albert.*

This joint announcement, for which the directors of MAGHL collectively and individually accept full responsibility of the information contained in this joint announcement, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to MAGHL. The directors of MAGHL, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this joint announcement 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 joint announcement misleading.

This joint announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of MAGHL at www.mediaasia.com.