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The securities described herein will only be offered in accordance with all applicable laws and regulations.



LAI SUN DEVELOPMENT

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

(Stock Code: 488)

**RESULTS OF THE RIGHTS ISSUE OF 322,961,962 RIGHTS SHARES
AT THE SUBSCRIPTION PRICE OF HK\$3.43 EACH ON THE BASIS
OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE
AND
ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS**

RESULTS OF THE RIGHTS ISSUE

The Company is pleased to announce that as at 4:00 p.m. on Monday, 27 September 2021, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for the Excess Rights Shares, (a) a total of 216 valid acceptances in respect of 318,604,076 Rights Shares provisionally allotted under the Rights Issue have been received, representing approximately 98.65% of the total number of 322,961,962 Rights Shares available for subscription under the Rights Issue; and (b) a total of 131 valid applications for 2,159,277,707 Excess Rights Shares have been received, representing approximately 668.59% of the total number of Rights Shares available for subscription under the Rights Issue. In aggregate, a total of 347 valid acceptances and applications in respect of 2,477,881,783 Rights Shares, representing approximately 767.24% of the total number of Rights Shares available for subscription under the Rights Issue, have been received.

The Rights Issue became unconditional at 4:00 p.m. on Tuesday, 28 September 2021.

Regarding the 2,159,277,707 Excess Rights Shares being applied for by way of application under the EAFs, the Board has resolved to allot a total of 4,357,886 Rights Shares available for excess applications on a fair and equitable basis with reference to their respective shareholdings in the Company as at the Record Date as set out in the Prospectus.

UNDERWRITING AGREEMENT

As a result of the over-subscription of the Rights Shares taking into account of the valid applications for the Excess Rights Shares, the Underwriter's obligations under the Underwriting Agreement in respect of the Underwritten Shares have been fully discharged.

DESPATCH OF SHARE CERTIFICATES AND REFUND CHEQUES

It is expected that the share certificates for the Rights Shares, in their fully-paid form, and the refund cheques (if any) in respect of wholly or partially unsuccessful applications for the Excess Rights Shares (without interest) will be posted to the allottees and/or applicants by ordinary post at their own risk on Wednesday, 6 October 2021.

COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Thursday, 7 October 2021.

ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS

Pursuant to the terms and conditions of the Share Option Schemes and the Listing Rules, the exercise price and/or the number of Shares entitled to be subscribed under the outstanding Share Options granted under the Share Option Schemes will be adjusted. As a result of the Rights Issue, adjustments to the exercise price and the number of Shares to be issued upon exercise of the outstanding Share Options will become effective from Wednesday, 6 October 2021.

Reference is made to the prospectus of Lai Sun Development Company Limited (the “**Company**”) dated 10 September 2021 (the “**Prospectus**”) and the joint announcement of the Company and Lai Sun Garment (International) Limited (“**LSG**”) dated 12 August 2021.

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Company is pleased to announce that as at 4:00 p.m. on Monday, 27 September 2021, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for the Excess Rights Shares, (a) a total of 216 valid acceptances in respect of 318,604,076 Rights Shares provisionally allotted under the Rights Issue have been received, representing approximately 98.65% of the total number of 322,961,962 Rights Shares available for subscription under the Rights Issue; and (b) a total of 131 valid applications for 2,159,277,707 Excess Rights Shares have been received, representing approximately 668.59% of the total number of Rights Shares available for subscription under the Rights Issue. In aggregate, a total of 347 valid acceptances and applications in respect of 2,477,881,783 Rights Shares, representing approximately 767.24% of the total number of Rights Shares available for subscription under the Rights Issue, have been received.

The Rights Issue became unconditional at 4:00 p.m. on Tuesday, 28 September 2021.

EXCESS RIGHTS SHARES

Regarding the 2,159,277,707 Excess Rights Shares being applied for by way of application under the EAFs, the Board has resolved to allot a total of 4,357,886 Rights Shares available for excess applications on a fair and equitable basis with reference to their respective shareholdings in the Company as at the Record Date as set out in the Prospectus. In addition, no preference was given to topping-up odd lots to whole board lots.

THE UNDERWRITING AGREEMENT

As all the conditions precedent set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated by the Underwriter on or before 4:00 p.m. on Tuesday, 28 September 2021, the Underwriting Agreement became unconditional at 4:00 p.m. on Tuesday, 28 September 2021.

As a result of the over-subscription of the Rights Shares taking into account of the valid applications for the Excess Rights Shares, the Underwriter's obligations under the Underwriting Agreement in respect of the Underwritten Shares have been fully discharged.

SCALING-DOWN MECHANISM OF THE RIGHTS ISSUE

As stated in the Prospectus, all applications for the Rights Shares by the Qualifying Shareholders whether under the PAL(s) or the EAF(s), or by transferees of nil-paid Rights Shares, are subject to the scaling-down mechanism as determined by the Company and would be made on the basis that the applications are to be scaled-down by the Company to such level which does not result in (a) any GO Obligation being triggered by those affected applicant(s) and/or group of affected applicant(s) (together with parties respectively acting in concert with him/her/it/them); and/or (b) the Company's further non-compliance with the Public Float Requirement since the date of the Subscription Announcement. To the best of the Directors' knowledge, information and belief after considering the allotment results of the Rights Issue, the Company is not aware of any applications for Rights Shares by any participating Shareholders which would result in either the incurring of a GO Obligation or the further non-compliance of the Public Float Requirement since the date of the Subscription Announcement. Accordingly, the scaling-down mechanism has not been triggered and no applications for Rights Shares are required to be scaled-down by the Company.

SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, for illustrative purposes, the shareholding structure of the Company immediately before and after completion of the Rights Issue is set out below:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	No. of issued Shares	Approx. %	No. of issued Shares	Approx. %
Non-public Shareholders				
LSG (Note 1)	343,593,021	53.19	515,389,531	53.19
Dr. Peter Lam	433,737	0.07	650,605	0.07
Mr. Chew Fook Aun (Note 2)	1,221,000	0.19	1,831,500	0.19
Mr. Lau Shu Yan, Julius (Note 3)	263,500	0.04	395,250	0.04
Madam U (Note 4)	26,919	0.004	40,378	0.004
Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk	167,009,100	25.86	250,513,650	25.86
Public Shareholders				
The Subscriber	34,094,400	5.28	51,141,600	5.28
Others	99,282,248	15.37	148,923,373	15.37
Underwriter	—	—	—	—
Total	645,923,925	100.00	968,885,887	100.00

Notes:

- (1) These Shares were directly held by LSG and LSG Subsidiaries. Dr. Peter Lam was deemed to be interested in these Shares by virtue of, in aggregate, his personal and deemed interests of approximately 41.89% (excluding share options) in the issued share capital of LSG. LSG is approximately 12.66% (excluding share options) owned by Dr. Peter Lam and is approximately 29.23% owned by Wisdoman Limited which in turn is 100% beneficially owned by Dr. Peter Lam.
- (2) These Shares were owned by The Orchid Growers Association Limited. By virtue of his 100% interest in the issued share capital of The Orchid Growers Association Limited, Mr. Chew Fook Aun was deemed to be interested in these Shares. Mr. Chew Fook Aun is an executive Director.
- (3) Mr. Lau Shu Yan, Julius is an executive Director.
- (4) Madam U is the widow of the late Mr. Lim Por Yen whose estate includes an interest of approximately 0.61% of the total number of issued Shares.

Certain figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

DESPATCH OF SHARE CERTIFICATES AND REFUND CHEQUES

It is expected that the share certificates for the Rights Shares, in their fully-paid form, and the refund cheques (if any) in respect of wholly or partially unsuccessful applications for the Excess Rights Shares (without interest) will be posted to the allottees and/or applicants by ordinary post at their own risk on Wednesday, 6 October 2021.

COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Thursday, 7 October 2021.

ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS

Immediately before completion of the Rights Issue, there are 12,327,810 outstanding Share Options under the Share Option Schemes. Pursuant to the terms and conditions of the Share Option Schemes and the Listing Rules, the exercise price and/or the number of Shares entitled to be subscribed under the outstanding Share Options granted under the Share Option Schemes will be adjusted.

As a result of the Rights Issue, adjustments to the exercise price and the number of Shares to be issued upon exercise of the outstanding Share Options pursuant to the terms and conditions of the Share Option Schemes, Rule 17.03(13) of the Listing Rules, the Supplementary Guidance on Main Board Listing Rule 17.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020 (the “**Stock Exchange Supplementary Guidance**”) are as follows and will become effective from Wednesday, 6 October 2021 upon the allotment and issue of the Rights Shares pursuant to the Rights Issue:

	<i>Date of grant of Share Options</i>	<i>Exercise period of Share Options</i>	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
			<i>Number of Shares to be issued upon exercise of the Share Options</i>	<i>Exercise price of Share Options HK\$ per Share</i>	<i>Adjusted number of Shares to be issued upon exercise of the Share Options</i>	<i>Adjusted exercise price of Share Options HK\$ per Share</i>
Directors						
Dr. Peter Lam	18/01/2013	18/01/2013 – 17/01/2023	417,308	16.100	486,452	13.811
Mr. Chew Fook Aun	05/06/2012	05/06/2012 – 04/06/2022	1,952,081	5.350	2,275,301	4.590
Mr. Lau Shu Yan, Julius	18/01/2013	18/01/2013 – 17/01/2023	2,086,540	16.100	2,432,259	13.811
Mr. Lester Lam	18/01/2013	18/01/2013 – 17/01/2023	4,173,081	16.100	4,864,519	13.811
Mr. Tham Seng Yum, Ronald	19/08/2019	19/08/2019 – 18/08/2029	800,000	9.920	932,552	8.509
Other employees						
In aggregate	18/01/2013	18/01/2013 – 17/01/2023	2,059,200	16.100	2,400,389	13.811
In aggregate	26/07/2013	26/07/2013 – 25/07/2023	83,200	11.250	96,985	9.650
In aggregate	21/01/2015	21/01/2015 – 20/01/2025	166,400	8.350	193,971	7.163
In aggregate	22/01/2016	22/01/2016 – 21/01/2026	60,000	4.700	69,940	4.032
In aggregate	20/01/2017	20/01/2017 – 19/01/2027	60,000	8.150	69,940	6.991
In aggregate	26/01/2021	26/01/2021 – 25/01/2031	470,000	6.360	547,872	5.455
			<u>12,327,810</u>		<u>14,370,180</u>	

Save for the above adjustments, all other terms and conditions of the outstanding Share Options remain unchanged.

The Company's auditor, Ernst & Young, has certified in writing that the adjustments made to the exercise prices and the number of Shares falling to be issued upon the exercise of the outstanding Share Options are in compliance with the requirements set out in the relevant terms and conditions of the Share Option Schemes, Rule 17.03(13) of the Listing Rules and the Stock Exchange Supplementary Guidance.

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

Hong Kong, 5 October 2021

As at the date of this announcement, the Board 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.