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



LAI SUN GARMENT

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

(Stock Code: 191)

RESULTS OF THE RIGHTS ISSUE OF 294,457,967 RIGHTS SHARES AT THE SUBSCRIPTION PRICE OF HK\$1.58 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

As disclosed in the Announcement, as at 4:00 p.m. on Friday, 9 December 2022, being the Latest Time for Acceptance, a total of 98 valid applications had been received for a total of 193,179,974 Rights Shares, representing approximately 65.6% of the total number of Rights Shares available for subscription under the Rights Issue.

The Rights Issue became unconditional at 4:00 p.m. on Thursday, 22 December 2022.

THE COMPENSATORY ARRANGEMENTS AND THE PLACING AGREEMENT

As disclosed in the Announcement, 101,277,993 Unsubscribed Rights Shares, representing approximately 34.4% of the total number of the Rights Shares available for subscription under the Rights Issue, were subject to the Compensatory Arrangements.

The Board is pleased to announce that as at 4:00 p.m. on Thursday, 22 December 2022, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, 13,824,000 Unsubscribed Rights Shares, representing approximately 1.56% of the issued Shares immediately upon completion of the Rights Issue, were successfully placed at the placing price of HK\$1.58 per Share, representing nil premium over the Subscription Price, to independent placee(s). Accordingly, the amount of the Net Gain under the Compensatory Arrangements is nil and no Net Gain were realised and to be received by any No Action Shareholder and Non-Qualifying Shareholder on Tuesday, 17 January 2023.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the Placee(s) and where appropriate, their respective ultimate beneficial owners, is independent of and not connected with the Company and its connected persons and not a connected person of the Company; and (ii) none of the Placee(s) has become a substantial shareholder (as defined under the Listing Rules) upon completion of the Placing.

The Placing became unconditional at 4:00 p.m. on Thursday, 22 December 2022.

THE UNDERWRITING AGREEMENT

The aggregate number of Rights Shares validly accepted by the Qualifying Shareholders and the Unsubscribed Rights Shares successfully placed by the Placing Agent under the Placing are 207,003,974 Shares, representing approximately 70.3% of the total number of Rights Shares available for subscription under the Rights Issue. Accordingly, the Underwriter's obligations under the Underwriting Agreement in respect of the Underwritten Shares have not been discharged and therefore the Underwriter shall subscribe or, as agent of the Company, procure subscribers for the 87,453,993 Untaken Shares.

DESPATCH OF SHARE CERTIFICATES

It is expected that the share certificates for the Rights Shares, in their fully-paid form, and the share certificates for the Unsubscribed Rights Shares successfully placed by the Placing Agent will be posted to the allottees and/or Placee(s) by ordinary post at their own risk on Tuesday, 3 January 2023.

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 Wednesday, 4 January 2023.

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 Tuesday, 3 January 2023.

Reference is made to the prospectus of Lai Sun Garment (International) Limited (the “**Company**”) dated 25 November 2022 (the “**Prospectus**”) and the announcement of the Company in relation to, among other things, the applications for the Rights Shares dated 13 December 2022 (the “**Announcement**”).

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

As disclosed in the Announcement, as at 4:00 p.m. on Friday, 9 December 2022, being the Latest Time for Acceptance, a total of 98 valid applications had been received for a total of 193,179,974 Rights Shares, representing approximately 65.6% of the total number of Rights Shares available for subscription under the Rights Issue.

The Rights Issue became unconditional at 4:00 p.m. on Thursday, 22 December 2022.

THE COMPENSATORY ARRANGEMENTS AND THE PLACING AGREEMENT

As disclosed in the Announcement, 101,277,993 Unsubscribed Rights Shares, representing approximately 34.4% of the total number of the Rights Shares available for subscription under the Rights Issue, were subject to the Compensatory Arrangements.

The Board is pleased to announce that as at 4:00 p.m. on Thursday, 22 December 2022, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, 13,824,000 Unsubscribed Rights Shares, representing approximately 1.56% of the issued Shares immediately upon completion of the Rights Issue, were successfully placed at the placing price of HK\$1.58 per Share, representing nil premium over the Subscription Price, to independent placee(s). Accordingly, the amount of the Net Gain under the Compensatory Arrangements is nil and no Net Gain were realised and to be received by any No Action Shareholder and Non-Qualifying Shareholder on Tuesday, 17 January 2023.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the Placee(s) and where appropriate, their respective ultimate beneficial owners, is independent of and not connected with the Company and its connected persons and not a connected person of the Company; and (ii) none of the Placee(s) has become a substantial shareholder (as defined under the Listing Rules) upon completion of the Placing.

The Placing became unconditional at 4:00 p.m. on Thursday, 22 December 2022.

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 Thursday, 22 December 2022, the Underwriting Agreement became unconditional at 4:00 p.m. on Thursday, 22 December 2022.

The aggregate number of Rights Shares validly accepted by the Qualifying Shareholders and the Unsubscribed Rights Shares successfully placed by the Placing Agent under the Placing are 207,003,974 Shares, representing approximately 70.3% of the total number of Rights Shares available for subscription under the Rights Issue. Accordingly, the Underwriter's obligations under the Underwriting Agreement in respect of the Underwritten Shares have not been discharged and therefore the Underwriter shall subscribe or, as agent of the Company, procure subscribers for the 87,453,993 Untaken Shares.

Following completion of the Rights Issue, the Underwriter will not have any discloseable requirements in the Shares and underlying Shares under Part XV of the SFO.

SCALING-DOWN MECHANISM OF THE RIGHTS ISSUE

As stated in the Prospectus, all applications for the Rights Shares by the Qualifying Shareholders under the PAL(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 non-compliance with the Public Float Requirement. 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 non-compliance of the Public Float Requirement. 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	
	<i>No. of issued Shares</i>	<i>Approx. %</i>	<i>No. of issued Shares</i>	<i>Approx. %</i>
Non-public Shareholders				
Wisdoman ^(Notes 1 and 2)	172,112,124	29.23	258,168,186	29.23
Dr. Peter Lam ^(Notes 1 and 2)	74,807,359	12.70	112,211,038	12.70
Madam U ^(Note 2)	1,238,287	0.21	1,857,430	0.21
Mr. Lester Lam ^(Note 2)	18,688,812	3.17	28,033,218	3.17
Other core connected persons of the Company	100	0.00002	100	0.00001
Other Shareholders holding above 10%				
Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk	173,208,420 ^(Note 4)	29.41 ^(Note 4)	173,208,420 ^(Note 5)	19.61 ^(Note 5)
Public Shareholders				
Subscribers procured by the Underwriter ^(Note 3)	–	–	44,168,695	5.00
Other public Shareholders	148,860,832	25.28	208,617,516 ^(Note 6)	23.62 ^(Note 6)
Placee(s)	–	–	13,824,000	1.56
Underwriter	–	–	43,285,298	4.90
Total	588,915,934	100.00	883,373,901	100.00

Notes:

1. Dr. Peter Lam was deemed to be interested in these Shares by virtue of him being the sole beneficial owner of Wisdoman, which directly owned these Shares. Dr. Peter Lam and Wisdoman are controlling shareholders of the Company and Dr. Peter Lam is an executive Director.
2. Dr. Peter Lam, Wisdoman, Madam U and Mr. Lester Lam are parties presumed to be acting in concert under the class (8) presumption under the definition of "acting in concert" under the Takeovers Code. Madam U and Mr. Lester Lam are executive Directors.

3. *To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the subscribers procured by the Underwriter (i) are independent of and not connected or acting in concert with the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates; (ii) will not own 10% or more of the total number of Shares in issue immediately upon completion of the Rights Issue; and (iii) will not result in them and their associates or persons acting in concert with any of them, when aggregated with the total number of Shares (if any) already held by them, holding more than 30% of the enlarged issued share capital of the Company immediately after completion of the Rights Issue.*
4. *Based on the email confirmation received by the Company from Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk, which the Company is unable to separately verify, as at 5 May 2020, Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk jointly held 115,472,280 Shares. For reference and illustrative purposes only, the number of issued Shares and the approximate percentage of total number of issued Shares held jointly by Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk being 173,208,420 Shares and 29.41%, respectively, after the completion of the 1-for-2 rights issue of the Company announced on 2 August 2021 (the "2021 Rights Issue"), was arrived at on the assumption that they have taken up their full entitlement of rights shares under the provisional allotment letter(s) based on 115,472,280 Shares held by them before the 2021 Rights Issue.*
5. *Based on the assumption(s) made in note 4 above and the DI Forms available to the public as at the date of this announcement.*
6. *The number of Shares and the approximate percentage of total issued Shares held by the public Shareholders are derived based on the assumption(s) made in notes 4 and 5 above.*

Certain figures included in the above table 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

It is expected that the share certificates for the Rights Shares, in their fully-paid form, and the share certificates for the Unsubscribed Rights Shares successfully placed by the Placing Agent will be posted to the allottees and/or Placee(s) by ordinary post at their own risk on Tuesday, 3 January 2023.

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 Wednesday, 4 January 2023.

ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS

Immediately before completion of the Rights Issue, there are 20,741,503 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 Tuesday, 3 January 2023 upon the allotment and issue of the Rights Shares pursuant to the Rights Issue:

<i>Date of grant</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>
18/01/2013	18/01/2013 - 17/01/2023	59,165	4.744	62,389	4.498
26/07/2013	26/07/2013 - 25/07/2023	147,912	5.019	155,973	4.759
19/06/2017	19/06/2017 - 18/06/2027	10,164,767	11.763	10,718,747	11.155
28/07/2017	28/07/2017 - 27/07/2027	4,870,459	12.893	5,135,899	12.226
25/01/2022	25/01/2022 - 24/01/2032	5,499,200	3.874	5,798,905	3.673
		<u>20,741,503</u>		<u>21,871,913</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 Garment (International) Limited
Lam Kin Ngok, Peter
Executive Director and Chairman

Hong Kong, 3 January 2023

As at the date of this announcement, the Board comprises five executive directors, namely Dr. Lam Kin Ngok, Peter (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.