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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)

APPLICATIONS FOR THE RIGHTS SHARES AND NUMBER OF UNSUBSCRIBED RIGHTS SHARES SUBJECT TO THE COMPENSATORY ARRANGEMENTS

Reference is made to the prospectus of Lai Sun Development Company Limited (the “**Company**”) dated 9 December 2022 (the “**Prospectus**”) in relation to the proposed Rights Issue at the Subscription Price of HK\$1.64 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Prospectus.

APPLICATIONS FOR THE RIGHTS SHARES

The Board announces that as at 4:00 p.m. on Friday, 23 December 2022, being the Latest Time for Acceptance, a total of 103 valid applications had been received for a total of 304,101,976 Rights Shares, representing approximately 62.8% of the total number of Rights Shares available for subscription under the Rights Issue. Pursuant to the Irrevocable Undertaking, LSG and Dr. Peter Lam have subscribed or procured the subscription (as the case may be) for an aggregate of 257,694,765 and 325,302 Rights Shares provisionally allotted to LSG (or the LSG Subsidiaries, as the case may be) and Dr. Peter Lam, respectively. The remaining 180,340,967 Unsubscribed Rights Shares, representing approximately 37.2% of the total number of Rights Shares available for subscription under the Rights Issue, will be subject to the Compensatory Arrangements.

THE COMPENSATORY ARRANGEMENTS

Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company had made arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent placees for the benefit of the relevant No Action Shareholders and Non-Qualifying Shareholders.

The Company appointed the Placing Agent to place the Unsubscribed Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related costs and expenses), that is realised from the Placing (the “**Net Gain**”) will be paid to the relevant No Action Shareholders and Non-Qualifying Shareholders in the manner set out below.

The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Wednesday, 4 January 2023, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares at a price not less than the Subscription Price. Any unsold Unsubscribed Rights Shares under the Compensatory Arrangements will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

Net Gain (if any but rounded down to the nearest cent) will be paid on a pro-rata basis to the relevant No Action Shareholders and Non-Qualifying Shareholders as set out below:

- (a) for No Action Shareholders, the relevant Qualifying Shareholders (or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed) whose nil-paid rights are not validly applied for in full, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for, and where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL and where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS; and

- (b) for Non-Qualifying Shareholders, the relevant Non-Qualifying Shareholders whose name and address appeared on the register of members of the Company on the Record Date with reference to their shareholdings in the Company on the Record Date.

It is proposed that if the Net Gain to any of the No Action Shareholder(s) and Non-Qualifying Shareholder(s) mentioned above (i) is more than HK\$100, the entire amount will be paid to them; or (ii) is HK\$100 or less, such amount will be retained by the Company for its own benefit.

An announcement of the results of the Rights Issue is expected to be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.laisun.com) on Tuesday, 10 January 2023.

WARNING OF THE RISKS OF DEALING IN THE SHARES

Shareholders and potential investors of the Company should note that the proposed Rights Issue is conditional upon, among others, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the sections headed “Letter from the Board - The Underwriting Agreement - Conditions of the Rights Issue and the Underwriting Agreement” and “Termination of the Underwriting Agreement” in the Prospectus). Accordingly, the Rights Issue may or may not proceed.

Any Shareholder or other person dealing in the Shares up to the date on which all the conditions to which the Rights Issue are fulfilled or waived (as applicable) (and the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

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

Hong Kong, 29 December 2022

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 Lee Tze Yan, Ernest; one non-executive Director, namely Madam U Po Chu; and three independent non-executive Directors, namely Messrs. Lam Bing Kwan, Leung Shu Yin, William and Ip Shu Kwan, Stephen.