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**Li Bao Ge Group Limited**

**利寶閣集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1869)**

**RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF  
ONE RIGHTS SHARE FOR EVERY FOUR EXISTING SHARES  
HELD ON THE RECORD DATE**

**RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that all conditions set out in the Underwriting Agreement have been fulfilled and the Rights Issue became unconditional at 4:00 p.m. on Thursday, 12 December 2019. The gross proceeds raised from the Rights Issue are approximately HK\$47.6 million before expenses.

As at 4:00 p.m. on Monday, 9 December 2019, being the latest time for acceptance of, and payment for, the Rights Shares and for application and payment for the excess Rights Shares,

- (i) 73 valid acceptances of provisional allotments under the PALs were received for a total of 162,110,108 Rights Shares, representing approximately 81.06% of the total number of 200,000,000 Rights Shares being offered under the Rights Issue; and
- (ii) 17 valid applications for excess Rights Shares under the EAFs were received for a total of 7,969,464 Rights Shares, representing approximately 3.98% of the total number of 200,000,000 Rights Shares being offered under the Rights Issue.

In aggregate, 90 valid acceptances and applications in respect of 170,079,572 Rights Shares have been accepted and applied for representing approximately 85.04% of the total number of 200,000,000 Rights Shares being offered under the Rights Issue.

Pursuant to the Undertakings, each of Bright Creator, Mr. Chan, Sun Foo Sing, Mr. Lam, Mr. Wong and Sky Gain has subscribed for 75,306,280 Rights Shares, 3,350,000 Rights Shares, 14,831,240 Rights Shares, 75,000 Rights Shares, 14,831,240 Rights Shares and 14,831,240 Rights Shares respectively provisionally allotted to him/it.

Based on the subscription results, the Rights Issue was under-subscribed by 29,920,428 Rights Shares, representing approximately 14.96% of the total number of Rights Shares being offered under the Rights Issue.

### **DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES**

It is expected that share certificates in respect of the fully-paid Rights Shares will be despatched to those entitled thereto by ordinary post to their respective registered address at their own risk by the Registrar on or before Tuesday, 17 December 2019.

### **COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES**

Approval has been granted by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares. Dealings in the Rights Shares in their fully paid form on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 18 December 2019.

Reference is made to the prospectus of Li Bao Ge Group Limited (the “**Company**”) dated 25 November 2019 (the “**Prospectus**”) in relation to the Rights Issue. Unless the context otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the Prospectus.

### **RESULTS OF THE RIGHTS ISSUE**

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### **EXCESS APPLICATION**

Given the subscription results, all valid applications for a total of 7,969,464 excess Rights Shares have been accepted and the relevant number of the Rights Shares will be allotted and issued in full to the relevant applicants.

### **UNDERWRITING AGREEMENT**

Pursuant to the terms and conditions of the Underwriting Agreement, the Underwriter has been called upon to perform its underwriting obligations to subscribe or procure subscription for all the untaken Rights Shares, representing approximately 14.96% of the total number of Rights Shares being offered under the Rights Issue.

## EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge and information, the following is the shareholding structure of the Company immediately before and after completion of the Rights Issue:

Shareholders	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Bright Creator ( <i>Notes 1&amp;3</i> )	301,225,120	37.65%	376,531,400	37.65%
Mr. Chan ( <i>Notes 1&amp;3</i> )	13,400,000	1.68%	16,750,000	1.68%
Sun Foo Sing ( <i>Notes 2&amp;3</i> )	59,324,960	7.42%	74,156,200	7.42%
Mr. Lam ( <i>Notes 2&amp;3</i> )	300,000	0.04%	375,000	0.04%
Mr. Wong ( <i>Note 4</i> )	59,324,960	7.42%	74,156,200	7.42%
Sky Gain ( <i>Note 5</i> )	59,324,960	7.42%	74,156,200	7.42%
Universal Palm Limited ( <i>Note 6</i> )	23,540,000	2.94%	23,540,000	2.35 %
Prof. Wong Lung Tak Patrick ( <i>Note 7</i> )	4,250,000	0.53%	5,312,500	0.53%
Ms. Yuen Wan Yee Betty ( <i>Note 7</i> )	100,000	0.01%	100,000	0.01%
Subtotal ( <i>Note 8</i> )	520,790,000	65.10%	645,077,500	64.51%
<b>Public Shareholders</b>				
The Underwriter, sub-underwriter(s) and/or subscriber(s) procure by it	–	–	29,920,428	2.99%
Other Public Shareholders	279,210,000	34.90%	325,002,072	32.50%
TOTAL	800,000,000	100.00%	1,000,000,000	100.00%

### Notes:

- Immediately after completion of the Rights Issue, Bright Creator beneficially owns 376,531,400 Shares. Mr. Chan and his spouse Ms. Liu Siu Kuen respectively owns 50% issued shares of Bright Creator. Mr. Chan beneficially owns 16,750,000 Shares. Mr. Chan is an executive Director, the chairman of the Board and the chief executive officer of the Company.
- Immediately after completion of the Rights Issue, Sun Foo Sing beneficially owns 74,156,200 Shares. Each of Mr. Ho Wood Yam, Mr. Tsui King Foo, Mr. Lam, Mr. Tsui Chi Kit and Ms. Tsui Yuk Yi owns 50%, 25%, 10%, 7.5% and 7.5% issued shares of Sun Foo Sing, respectively. Mr. Lam beneficially owns 375,000 Shares. Mr. Lam is an executive Director and the compliance officer of the Company.
- Bright Creator, Mr. Chan and his spouse Ms. Liu Siu Kuen, Sun Foo Sing, Mr. Ho Wood Yam, Mr. Tsui King Foo, Mr. Lam, Mr. Tsui Chi Kit and Ms. Tsui Yuk Yi are parties acting in concert.
- Immediately after completion of the Rights Issue, Mr. Wong beneficially owns 74,156,200 Shares. Mr. Wong is an executive Director.
- Immediately after completion of the Rights Issue, Sky Gain beneficially owns 74,156,200 Shares. Each of Mr. Chow Yiu Pong David, Mr. Chow Chor Ting Anthony and Mr. Tam Chie Sang owns 37.5%, 37.5% and 25% issued shares of Sky Gain, respectively. Mr. Chow Yiu Pong David is an executive Director.

6. Immediately after completion of the Rights Issue, Universal Palm Limited beneficially owns 23,540,000 Shares. Mr. Tsang Chiu Chun owns 100% issued shares of Universal Palm Limited. Mr. Tsang Chiu Chun is the director of a subsidiary of the Company.
7. Immediately after completion of the Rights Issue, Prof. Wong Lung Tak Patrick beneficially owns 5,312,500 Shares and Ms. Yuen Wan Yee Betty, the spouse of Prof. Wong Lung Tak Patrick, beneficially owns 100,000 Shares. Prof. Wong Lung Tak Patrick is an independent non-executive Director.
8. Please note that the percentages may not add up to subtotal due to rounding.

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By order of the Board  
**Li Bao Ge Group Limited**  
**Chan Chun Kit**  
*Chairman*

Hong Kong, 16 December 2019

*As at the date of this announcement, the executive Directors are Mr. Chan Chun Kit, Mr. Lam Kwok Leung Peter, Mr. Wong Ka Wai and Mr. Chow Yiu Pong David; and the independent non-executive Directors are Mr. Liu Chi Keung, Prof. Wong Lung Tak Patrick and Mr. Tam Tak Kei Raymond.*