

Unless otherwise defined, terms in this announcement shall have the same meanings as those defined in the prospectus dated 30 September 2014 (the “**Prospectus**”) issued by L & A International Holdings Limited.

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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company. Potential investors should read the Prospectus carefully for detailed information about the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.

## **L & A International Holdings Limited**

**樂亞國際控股有限公司**

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

### **LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING**

**Number of Placing Shares : 100,000,000 Placing Shares**  
**Placing Price : HK\$0.60 per Placing Share, payable in full  
upon application, plus brokerage of 1%,  
SFC transaction levy of 0.003% and  
Stock Exchange trading fee of 0.005%**  
**Nominal value : HK\$0.10 per Share**  
**Stock code : 8195**

**Sponsor**



**TC Capital**  
**天財資本**

**Joint Bookrunners and Joint Lead Managers**



**TC Capital**  
**天財資本**

- The Placing Price has been determined at HK\$0.60 per Placing Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).
- The net proceeds to be received by the Company from the Placing are estimated to be approximately HK\$43.2 million.
- The 100,000,000 Placing Shares offered under the Placing were fully subscribed and have been conditionally allocated to a total of 125 selected individual, professional and institutional investors.
- The Directors confirm that all placees under the Placing are independent of and not connected with the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective associates or any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. No placee, individually, has been or will be placed with more than 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company immediately after the completion of the Capitalisation Issue and the Placing within the meaning of the GEM Listing Rules.
- The Directors confirm that immediately after completion of the Capitalisation Issue and the Placing the public float of the Company will be 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands will be owned by the three largest public Shareholders at the time of the Listing.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Friday, 10 October 2014. Shares will be traded in board lots of 8,000 Shares each. The stock code of the Shares is 8195.

**Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **PLACING PRICE AND USE OF PROCEEDS**

The Placing Price has been determined at HK\$0.60 per Placing Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%). The net proceeds to be received by the Company from the Placing are estimated to be approximately HK\$43.2 million. The Directors intend to apply the net proceeds from the Placing as follows:

### **Expansion of the Group's OEM Business**

Approximately HK\$27.2 million or 63.1%, towards further expanding and strengthening the Group's OEM Business:

- approximately HK\$1.8 million, or 4.1%, towards marketing efforts for developing new OEM client relationships and expanding geographic coverage of its OEM clientele across North America, Europe and other markets.
- approximately HK\$12.3 million, or 28.5%, towards strengthening the Group's production capabilities through the purchase and installation of new production machineries at the Huizhou Factory. The Group plans to acquire 30 new computerised knitting machines, which are digitally controlled to handle complex knitting patterns with minimal requirement for manual labor.
- approximately HK\$1.8 million, or 4.1%, towards improving the water quality system in Huizhou Factory.
- approximately HK\$11.3 million, or 26.4%, towards purchasing the cashmere yarns for production.

### **Expansion of the Group's Retail Business**

Approximately HK\$11.7 million or 27.0% towards expanding and strengthening the Group's brand name in the retail market and setting up new retail outlets:

- approximately HK\$8.1 million, or 18.8%, towards setting up new Concession Stores or Free-Standing Stores throughout Hong Kong to sell "Casimira" brand and "Les Ailes" brand apparel and accessories.
- approximately HK\$1.8 million, or 4.1%, towards brand promotional and marketing activities such as advertising through television and radio commercials, bus advertisements, printed media and catalogues to accommodate the expansion plans of the Group's apparel retail business.
- approximately HK\$1.8 million, or 4.1%, towards upgrading the ERP System to enhance management access and monitoring of the statistics in the day-to-day operations of the retail network.

### **Others**

- approximately HK\$4.3 million, or 9.9%, towards the Group's working capital.

## LEVEL OF INDICATION OF INTERESTS UNDER THE PLACING

The 100,000,000 Placing Shares offered under the Placing were fully subscribed.

## RESULTS OF ALLOCATION

Pursuant to the Placing, 100,000,000 Placing Shares have been conditionally allocated to a total of 125 selected individual, professional and institutional investors. The distribution of the Placing Shares is set out below:

	<b>Aggregate number of Placing Shares allocated</b>	<b>Aggregate percentage of the total number of Placing Shares allocated</b>	<b>Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing</b>
Top placee	16,664,000	16.66%	4.17%
Top 5 placees	62,288,000	62.29%	15.57%
Top 10 placees	89,736,000	89.74%	22.43%
Top 25 placees	99,200,000	99.20%	24.80%

<b>Number of Placing Shares allocated</b>	<b>Number of placees</b>
8,000 to 80,000	111
80,001 to 800,000	1
800,001 to 8,000,000	8
8,000,001 and above	<u>5</u>
Total	<u><u>125</u></u>

The Directors confirm that all placees under the Placing are independent of and not connected with the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective associates or any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. No placee, individually, has been or will be placed with more than 10% of the enlarged issued share capital of the Company immediately

after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company immediately after completion of the Capitalisation Issue and the Placing within the meaning of the GEM Listing Rules.

**Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

#### **MINIMUM PUBLIC FLOAT REQUIREMENT**

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its total issued share capital at the time when the Shares commence dealings on GEM and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be owned by the three largest public Shareholders. The Directors confirm that immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands will be owned by the three largest public Shareholders at the time of the Listing.

#### **DEPOSIT OF SHARE CERTIFICATES INTO CCASS**

Subject to the approval of the listing of, and permission to deal in, the Shares in issue and to be issued on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

**No receipt will be issued for application monies paid. The Company will not issue temporary documents of title.**

The share certificates for the Placing Shares to be distributed via CCASS are expected to be deposited into CCASS on 9 October 2014 for credit to the relevant CCASS Participants' stock accounts designated by the Underwriters, the placees or their respective agents (as the case may be).

Prospective investors of the Placing Shares should note that the Joint Lead Managers (for themselves and on behalf of the Underwriters) are entitled to terminate the Underwriting Agreement with immediate effect by giving notice in writing to the Company upon the occurrence of any of the events set forth under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date, which is

expected to be 10 October 2014. In the event that the Underwriting Agreement is terminated, an announcement will be published by the Company on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.lna.com.hk](http://www.lna.com.hk) accordingly.

## **COMMENCEMENT OF DEALINGS**

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Friday, 10 October 2014. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.lna.com.hk](http://www.lna.com.hk). Shares will be traded in board lots of 8,000 Shares each. The stock code of the Shares is 8195.

By order of the Board  
**L & A INTERNATIONAL HOLDINGS LIMITED**  
**Yang Wan Ho**  
*Chairman and Executive Director*

Hong Kong, 9 October 2014

*As at the date of this announcement, the executive Directors are Mr. Yang Wan Ho, Mr. Yang Si Hang, Mr. Yang Si Kit Kenny; the non-executive Director is Ms. Rubby Chau and the independent non-executive Directors are Mr. Chan Chi Keung Alan, Ms. Cheung Marn Kay and Mr. Chan Ming Sun Jonathan.*

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