

## ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

### SUMMARY

#### Offer Price and net proceeds from the Share Offer

- The Offer Price has been determined at HK\$0.40 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Based on the Offer Price of HK\$0.40 per Offer Share and 315,000,000 Offer Shares, the aggregate net proceeds from the Share Offer to be received by the Company (after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the Share Offer) is estimated to be approximately HK\$85.6 million. The Company intends to apply such net proceeds in accordance with the purposes set out in the paragraph headed “Net proceeds from the Share Offer” in this announcement.

#### The Public Offer

- The Offer Shares initially offered under the Public Offer have been significantly over-subscribed. A total of 38,550 valid applications have been received pursuant to the Public Offer on **WHITE** and **YELLOW** Application Forms, through **White Form eIPO service** and by giving **electronic application instructions** to HKSCC via CCASS for a total of 1,059,095,000 Public Offer Shares, representing approximately 33.62 times of the total number of 31,500,000 Public Offer Shares initially available for subscription under the Public Offer.
- Since the Placing Shares are under-subscribed and the Public Offer Shares are over-subscribed, the reallocation mechanism as disclosed in the paragraph headed “Structure and Conditions of the Share Offer – Public Offer – Reallocation” of the Prospectus has been applied and 31,500,000 Offer Shares initially offered under the Placing have been reallocated to the Public Offer. The final number of Offer Shares allocated to the Public Offer is 63,000,000 Shares, representing 20% of the total number of the Offer Shares initially available under the Share Offer. There are a total of 5,669 successful applicants for the Public Offer Shares. The Sponsor and each of the Directors confirm that the maximum total number of Shares that may be allocated to the Public Offer following the reallocation (the “**Allocation Cap**”) has not been exceeded. Accordingly, the final Offer Price is fixed at the low-end of the indicative Offer Price range (i.e. HK\$0.40 per Offer Share) according to Guidance Letter HKEX-GL91-18 issued by the Stock Exchange.

## **The Placing**

- The Placing Shares initially offered under the Placing have been slightly under-subscribed, representing approximately 95.6% of the total number of 283,500,000 Offer Shares initially available for subscription under the Placing. The final number of Placing Shares allotted to a total of 218 placees under the Placing is 252,000,000 Offer Shares, representing 80% of the total number of Offer Shares initially available under the Share Offer. A total of 114 placees have been allotted under or equal to two board lots of the Placing Shares, representing approximately 52.3% of the total number of placees under the Placing. These placees have been placed approximately 0.4% of the total number of the Placing Shares under the Placing.

## **Cornerstone Investors**

- Based on the Offer Price of HK\$0.40 per Offer Share, and pursuant to the Cornerstone Investment Agreements with the Cornerstone Investors as set out in the section headed “Cornerstone Investors” in the Prospectus and in the section headed “Cornerstone Investors” in this announcement, the Cornerstone Investors have subscribed for a total of 100,000,000 Offer Shares, representing (a) approximately 7.9% of the Company’s issued share capital immediately upon the completion of the Share Offer and (b) 31.7% of the total number of Offer Shares under the Share Offer. Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details relating to the Cornerstone Placing.

## **Over-allotment Option**

- In connection with the Share Offer, the Company has granted to the Placing Underwriters the Over-allotment Option, exercisable by the Joint Bookrunners on behalf of the Placing Underwriters until 30 days from the last day for lodging of applications under the Public Offer (the last day for exercise of the Over-allotment Option being Saturday, 30 January 2021) to require the Company to issue up to an aggregate of 47,250,000 additional Offer Shares representing approximately 15% of the Offer Shares initially available under the Share Offer and at the Offer Price, to cover over-allocations in the Placing, if any. No over-allocation of the Offer Shares was made in the Placing and the Over-allotment Option will not be exercised.

- The Directors confirm that, to the best of their knowledge, information and belief, having made reasonable enquiries, no Offer Shares under the Share Offer have been allocated to applicants who (i) are an existing beneficial owner of Shares in our Company and/or any its subsidiaries, (ii) are a Director or chief executive officer of the our Company and/or any of its subsidiaries, (iii) are a close associate (as defined in the Listing Rules) of any of the above, and (iv) have been allocated or have applied for or indicated an interest in any Placing Shares or otherwise participated in the Placing, whether in their own names or through nominees. None of the Sponsor, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or their affiliated companies and connected clients of the lead broker or of any distributors (as set out in Appendix 6 to the Listing Rules) has been placed with any Offer Shares for its own benefit under the Share Offer. The Directors confirmed that the Placing has been conducted in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules (the “**Placing Guidelines**”) and no Offer Shares placed by or through the Underwriters under the Share Offer have been placed with any core connected person (as defined in the Listing Rules) of the Company, or persons set out in paragraphs 5(1) and 5(2) of the Placing Guidelines, whether in their own names or through nominees. The Directors also confirmed that (a) none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders, or existing Shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public who has subscribed the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it; (b) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Share Offer; (c) none of the placees under the Placing will become a substantial shareholder (within the meaning of the Listing Rules) of the Company after the Share Offer; (d) the Company’s public float percentage will satisfy the minimum percentage prescribed by Rule 8.08(1)(a) of the Listing Rules immediately after the completion of the Share Offer; (e) the three largest public Shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (f) the Shares will be held by at least 300 shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

### **Lock-up Undertakings**

- The Controlling Shareholders and the Cornerstone Investors are subject to certain lock-up undertakings as set out in the section headed “Lock-up Undertakings” in this announcement.

## Results of Allocations

- The final Offer Price, the indications of the level of interest in the Placing, the level of applications in respect of the Public Offer and the basis of allocation of the Public Offer Shares will be published on Tuesday, 12 January 2021 on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.ds-lace.com](http://www.ds-lace.com).
- The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Public Offer will be available at the times and date and in the manner specified below:
  - in the announcement to be posted on the Company’s website at [www.ds-lace.com](http://www.ds-lace.com) and the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than 9:00 a.m. on Tuesday, 12 January 2021;
  - from the designated results of allocations website at [www.iporesults.com.hk](http://www.iporesults.com.hk) (alternatively: English <https://www.eipo.com.hk/en/Allotment>; Chinese <https://www.eipo.com.hk/zh-hk/Allotment>) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Tuesday, 12 January 2021 to 12:00 midnight on Monday, 18 January 2021;
  - by telephone enquiry line by calling (852) 2862 8555 between 9:00 a.m. and 6:00 p.m. on Tuesday, 12 January 2021 to Friday, 15 January 2021; and
  - in the special allocation results booklets which will be available for inspection during opening hours on Tuesday, 12 January 2021 to Thursday, 14 January 2021 at all the receiving bank’s designated branches at the addresses set out in the section headed “Results of allocations” in this Announcement.

## Despatch/Collection of Share Certificates and Refund Monies

- Applicants who have applied for 1,000,000 Public Offer Shares or more on **WHITE** Application Forms or through **White Form eIPO service** and are successfully or partially successfully allocated Public Offer Shares and have provided all information required by their Application Forms may collect their Share certificate(s) and refund cheque(s) (where applicable) in person from our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Tuesday, 12 January 2021 or such other date as notified by the Company.
- Share certificates for Public Offer Shares allotted to applicants using **WHITE** Application Forms or through **White Form eIPO service**, which are either not available for personal collection or which are available but are not collected in person within the time specified for collection, are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant Application Forms at their own risk on or before Tuesday, 12 January 2021.

- Applicants using **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC will have their share certificate(s) issued in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants as instructed by the applicants in the **YELLOW** Application Forms or any designated CCASS Participants giving **electronic application instructions** on their behalf on Tuesday, 12 January 2021.
- Applicants applying through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Public Offer Shares allocated to them with that CCASS Participant.
- Applicants who have applied for 1,000,000 Public Offer Shares or more using **WHITE** or **YELLOW** Application Forms and have provided all information required may collect refund cheques (if any) in person from the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, from 9:00 a.m. and 1:00 p.m. on Tuesday, 12 January 2021 or such other date as notified by the Company.
- Refund cheques (if any) which are either not available for personal collection, or which are available but are not collected in person, will be despatched by ordinary post to the address as specified in the **WHITE** or **YELLOW** Application Forms at the applicant’s own risk on or before Tuesday, 12 January 2021.
- For applicants who have paid the application monies from a single bank account through the **White Form eIPO service**, refund monies (if any) are expected to be despatched to that bank account in the form of e-Refund payment instructions on Tuesday, 12 January 2021. For applicants who have paid the application monies from multiple bank accounts through the **White Form eIPO service**, refund cheques (if any) are expected to be despatched by ordinary post to the address as specified in the application instructions submitted through the **White Form eIPO service** at their own risk on or before Tuesday, 12 January 2021.
- Refund monies (if any) for applicants giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants’ designated bank accounts or the designated bank accounts of their brokers or custodians on Tuesday, 12 January 2021.
- The Company will not issue any temporary documents of title in respect of the Offer Shares. No receipt will be issued for sums paid on application. Share certificates will only become valid certificates of title at 8:00 a.m. on Wednesday, 13 January 2021 provided that the Share Offer has become unconditional in all respects and the right of termination described in the section headed “Underwriting – Underwriting Arrangements and Expenses – Public Offer Underwriting Agreement – Grounds for Termination” in the Prospectus has not been exercised.

## **Commencement of Dealings**

- Assuming that the Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, 13 January 2021, dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 13 January 2021. The Shares will be traded in board lots of 5,000 Shares each. The stock code of the Shares is 1440.

**In view of the moderate concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

## **OFFER PRICE**

The Offer Price has been determined at HK\$0.40 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

## **NET PROCEEDS FROM THE SHARE OFFER**

Based on the Offer Price of HK\$0.40 per Offer Share, the aggregate net proceeds from the Share Offer to be received by the Company (after deducting the underwriting fees and estimated expenses payable by the Company in connection with the Share Offer), is estimated to be approximately HK\$85.6 million. The Company intends to apply such net proceeds as follows:

- approximately HK\$49.9 million, representing approximately 58.2% of the net proceeds from the Share Offer, will be used to expand our dyeing service capacity and enhance efficiency by way of upgrading, replacing and acquiring machineries and facilities;
- approximately HK\$3.4 million, representing approximately 4.0% of the net proceeds from the Share Offer, will be used to strengthen our research and development capability and quality control for our dyeing services;
- approximately HK\$13.6 million, representing approximately 15.9% of the net proceeds from the Share Offer, will be used for continuous compliance with local policies through replacement of a coal-burning-boiler by a natural-gas-boiler;
- approximately HK\$0.9 million, representing approximately 1.1% of the net proceeds from the Share Offer, will be used to expanding our integrated ERP system;
- approximately HK\$9.5 million, representing approximately 11.1% of the net proceeds from the Share Offer, will be used for repayment of bank loan; and
- approximately HK\$8.3 million, representing approximately 9.7% of the net proceeds from the Share Offer, will be used for our general working capital.



## APPLICATIONS UNDER THE PUBLIC OFFER

The Offer Shares initially available under the Public Offer have been significantly over-subscribed. At the close of the application lists at 12:00 noon on Thursday, 31 December 2020, a total of 38,550 valid applications (including applications on **WHITE** and **YELLOW** Application Forms, through **White Form eIPO service** and by giving **electronic application instructions** to HKSCC via CCASS) for a total of 1,059,095,000 Public Offer Shares were received pursuant to the Public Offer, representing approximately 33.62 times of 31,500,000 Public Offer Shares initially available for subscription under the Public Offer.

Out of the 38,550 valid applications for 1,059,095,000 Public Offer Shares:

- 38,537 valid applications for a total of 898,845,000 Public Offer Shares were for the Public Offer with an aggregate subscription amount based on the maximum Offer Price of HK\$0.50 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less (equivalent to approximately 57.07 times of the 15,750,000 Offer Shares initially available for allocation in pool A of the Public Offer); and
- 13 valid applications for a total of 160,250,000 Public Offer Shares were for the Public Offer with an aggregate subscription amount based on the maximum Offer Price of HK\$0.50 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million (equivalent to approximately 10.17 times of the 15,750,000 Offer Shares initially available for allocation in pool B of the Public Offer); and
- 70 multiple applications or suspected multiple applications have been identified and rejected. No application has been rejected due to bounced cheques. No application has been rejected due to invalid application. No application for more than 15,750,000 Public Offer Shares has been identified.

Since the Placing Shares are under-subscribed and the Public Offer Shares are over-subscribed, the reallocation mechanism as disclosed in the paragraph headed “Structure and Conditions of the Share Offer – Public Offer – Reallocation” of the Prospectus has been applied and 31,500,000 Offer Shares initially offered under the Placing have been reallocated to the Public Offer. The final number of Offer Shares allocated to the Public Offer is 63,000,000 Shares, representing 20% of the total number of the Offer Shares initially available under the Share Offer. There are a total of 5,669 successful applicants for the Public Offer Shares. The Sponsor and each of the Directors confirm that the Allocation Cap has not been exceeded. Accordingly, the final Offer Price is fixed at the low-end of the indicative Offer Price range (i.e. HK\$0.40 per Offer Share) according to Guidance Letter HKEX-GL91-18 issued by the Stock Exchange.

The Offer Shares offered in the Public Offer were conditionally allocated on the basis set out in the paragraph headed “Basis of allocation under the Public Offer” below.

## THE PLACING

The Placing Shares initially offered under the Placing have been slightly under-subscribed, representing approximately 95.6% of the total number of 283,500,000 Offer Shares initially available for subscription under the Placing. The final number of Placing Shares allocated to a total of 218 placees under the Placing is 252,000,000 Offer Shares, representing 80% of the total number of Offer Shares initially available under the Share Offer. A total of 114 placees have been allotted under or equal to two board lots of Placing Shares, representing approximately 52.3% of the total number of placees under the Placing. A total of 1,030,000 Placing Shares have been allotted to these 114 placees, representing approximately 0.4% of the 252,000,000 Placing Shares.

The Directors confirm that, to the best of their knowledge, information and belief, having made reasonable enquiries, no Offer Shares under the Share Offer have been allocated to applicants who (i) are an existing beneficial owner of Shares in our Company and/or any its subsidiaries, (ii) are a Director or chief executive officer of the our Company and/or any of its subsidiaries, (iii) are a close associate (as defined in the Listing Rules) of any of the above, and (iv) have been allocated or have applied for or indicated an interest in any Placing Shares or otherwise participated in the Placing, whether in their own names or through nominees. None of the Sponsor, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or their affiliated companies and connected clients of the lead broker or of any distributors (as set out in Appendix 6 to the Listing Rules) has been placed with any Offer Shares for its own benefit under the Share Offer. The Directors confirmed that the Placing has been conducted in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules (the “**Placing Guidelines**”) and no Offer Shares placed by or through the Underwriters under the Share Offer have been placed with any core connected person (as defined in the Listing Rules) of the Company, or persons set out in paragraphs 5(1) and 5(2) of the Placing Guidelines, whether in their own names or through nominees. The Directors also confirmed that (a) none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders, or existing Shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public who has subscribed the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it; (b) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Share Offer; (c) none of the placees under the Placing will become a substantial shareholder (within the meaning of the Listing Rules) of the Company after the Share Offer; (d) the Company’s public float percentage will satisfy the minimum percentage prescribed by Rule 8.08(1)(a) of the Listing Rules immediately after the completion of the Share Offer; (e) the three largest public Shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (f) the Shares will be held by at least 300 shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.



## CORNERSTONE INVESTORS

Based on the Offer Price of HK\$0.40 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) and pursuant to the Cornerstone Investment Agreements with the Cornerstone Investors as disclosed in the section headed “Cornerstone Investors” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investors has now been determined as set out below:

Name of the Cornerstone Investors	Investment amount (HK\$' million)	Number of Shares subscribed	Approximate percentage of Offer Shares in the Placing (%)	Approximate percentage of Offer Shares in the Share Offer (%)	Approximate percentage of total issued share capital immediately following the completion of the Share Offer (%)
Ms. Cheng Hung Ping	20	50,000,000	19.9	15.9	3.9
Ms. Tam Yuk Ching Jenny	10	25,000,000	9.9	7.9	2.0
Mr. Tsai Chuen Sui Robert	10	25,000,000	9.9	7.9	2.0
<b>Total</b>	<b>40</b>	<b>100,000,000</b>	<b>39.7</b>	<b>31.7</b>	<b>7.9</b>

To the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, each of the Cornerstone Investors being the ultimate beneficial owner of their respective Offer Shares to be acquired, is an Independent Third Party. In addition, our Company confirms that (i) save for the Cornerstone Investment Agreements, there is no side arrangement between our Company and the Cornerstone Investors in connection with the Placing; (ii) the Cornerstone Investors are not accustomed to take and have not taken any instructions in relation to the acquisition, disposal, voting or any other disposition of the Offer Shares from our Company, our Directors, chief executive, our Controlling Shareholders, our substantial Shareholders or existing Shareholders of our Company or any of our subsidiaries, or their respective associates; and (iii) the subscription of Offer Shares by the Cornerstone Investors are not financed by our Company, our Directors, chief executive, our Controlling Shareholders, our substantial Shareholders or existing Shareholders of our Company, or any of our subsidiaries, or their respective associates. The Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders, other than a guaranteed allocation of the relevant Offer Shares at the Offer Price. None of Cornerstone Investors subscribed for any Offer Shares under the Share Offer other than pursuant to the Cornerstone Investment Agreements. Immediately following completion of the Share Offer and the Capitalisation Issue, the Cornerstone Investors will not have any representation on the Board, nor will any of the Cornerstone Investors become a substantial shareholder (as defined under the Listing Rules) of our Company. No special

rights have been granted to the Cornerstone Investors pursuant to the investment made by the Cornerstone Investors. The consideration pursuant to the Cornerstone Investment Agreements has been fully paid and settled by the Cornerstone Investors. Each of the Cornerstone Investors has agreed that he/she will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**CI Lock-up Period**”), dispose of any of the Offer Shares they have purchased pursuant to the relevant Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the CI Lock-up Period restriction. Please refer to the section headed “Cornerstone Investors” in the Prospectus for further details relating to the Cornerstone Investors.

### **Over-allotment Option**

In connection with the Share Offer, the Company has granted to the Placing Underwriters the Over-allotment Option, exercisable by the Joint Bookrunners on behalf of the Placing Underwriters, until 30 days from the last day for lodging of applications under the Public Offer (the last day for exercise of the Over-allotment Option being Saturday, 30 January 2021) to require the Company to issue up to an aggregate of 47,250,000 additional Offer Shares representing approximately 15% of the Offer Shares initially available under the Share Offer and at the Offer Price, to cover over-allocations in the Placing, if any. No over-allocation of the Offer Shares was made in the Placing. The Over-allotment Option will not be exercised.

## SHAREHOLDING CONCENTRATION ANALYSIS

Set out below is an analysis of shareholding concentration immediately following the Share Offer:

- top 1, 5, 10 and 25 of the places out of the Placing, the Share Offer and the total issued share capital of the Company upon Listing:

Places	Subscription	Shares held following the Share Offer	Subscription as % of Placing	Subscription as % of total Offer Shares	% of total share capital in issue
Top 1	50,000,000	50,000,000	19.8	15.9	4.0
Top 5	104,700,000	104,700,000	41.5	33.2	8.3
Top 10	116,320,000	116,320,000	46.2	36.9	9.2
Top 25	150,390,000	150,390,000	59.7	47.7	11.9

- top 1, 5, 10 and 25 of all the Shareholders out of the Placing, the Share Offer and the total issued share capital of the Company upon Listing:

Shareholders	Subscription of Public Offer Shares	Subscription of Placing Shares	Subscription of total Offer Shares	Shares held following the Share Offer	Subscription of Public Offer Shares as % of Public Offer	Subscription of Placing Shares as % of Placing	Subscription of total Offer Shares as % of total Offer Shares	% of total share capital in issue
Top 1	0	0	0	850,500,000	-	-	-	67.5
Top 5	0	100,000,000	100,000,000	1,045,000,000	-	39.7%	31.7	82.9
Top 10 <sup>(Note)</sup>	11,700,000	102,370,000	114,070,000	1,059,070,000	18.6%	40.6%	36.2	84.1
Top 25 <sup>(Note)</sup>	11,700,000	136,890,000	148,590,000	1,093,590,000	18.6%	54.3%	47.2	86.8

*Note:* Consists of four Shareholders acquired a total of 11,700,000 Shares under Public Offer rank top 10 and top 25 of all the Shareholders of our Company.

**In view of the moderate concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

## LOCK-UP UNDERTAKINGS

Pursuant to the respective agreements and/or rules, each of the following Controlling Shareholders and Cornerstone Investors is subject to certain lock-up undertakings and the following table sets forth the dates when such lock-up periods expire:

Name	Number of Shares subject to the Lock-up Undertakings after Listing	Percentage of shareholding in the Company subject to the Lock-up Undertakings after Listing	Last date subject to the Lock-up Undertakings
<i>Controlling Shareholders (subject to lock-up obligations pursuant to the Listing Rules and the Public Offer Underwriting Agreement)</i>			
Mr. Lin Minqiang, Mr. Lin Bingzhong, Mr. Lin Chaoji, Mr. Lin Chaowei, Mr. Lin Chaowen and Deyong Investment Co., Ltd.	850,500,000	67.5%	12 July 2021 (First Six-Month Period) <i>(Note 1)</i> 12 January 2022 (Second Six-Month Period) <i>(Note 2)</i>
<i>Cornerstone Investors (subject to lock-up obligations pursuant to the relevant Cornerstone Investment Agreements)</i>			
Ms. Cheng Hung Ping	50,000,000	3.9%	12 July 2021 <i>(Note 2)</i>
Ms. Tam Yuk Ching Jenny	25,000,000	2.0%	12 July 2021 <i>(Note 2)</i>
Mr. Tsai Chuen Sui Robert	25,000,000	2.0%	12 July 2021 <i>(Note 2)</i>

*Notes:*

- (1) Each Controlling Shareholder may dispose of or transfer Shares after the indicated date subject to that such Controlling Shareholder will not cease to be our Controlling Shareholder.
- (2) The Controlling Shareholders and the Cornerstone Investors may dispose of or transfer Shares without any lock-up obligation after the indicated date.

## BASIS OF ALLOCATION UNDER THE PUBLIC OFFER

Subject to the satisfaction of the conditions set out in the section headed “Structure and Conditions of the Share Offer – Conditions of the Share Offer” in the Prospectus, valid applications made by the public on **WHITE** and **YELLOW** Application Forms, through **White Form eIPO service** and by giving **electronic application instructions** to HKSCC via CCASS will be conditionally allocated on the basis set out below:

Number of Shares applied for	Number of valid applications	Basis of allotment/ballot	Approximate percentage allotted of the total number of Shares applied for
<b>Pool A</b>			
5,000	25,175	2,518 out of 25,175 to receive 5,000 Shares	10.00%
10,000	2,522	387 out of 2,522 to receive 5,000 Shares	7.67%
15,000	5,760	888 out of 5,760 to receive 5,000 Shares	5.14%
20,000	1,320	256 out of 1,320 to receive 5,000 Shares	4.85%
25,000	494	99 out of 494 to receive 5,000 Shares	4.01%
30,000	372	85 out of 372 to receive 5,000 Shares	3.81%
35,000	103	25 out of 103 to receive 5,000 Shares	3.47%
40,000	285	71 out of 285 to receive 5,000 Shares	3.11%
45,000	67	17 out of 67 to receive 5,000 Shares	2.82%
50,000	561	146 out of 561 to receive 5,000 Shares	2.60%
60,000	141	41 out of 141 to receive 5,000 Shares	2.42%
70,000	66	22 out of 66 to receive 5,000 Shares	2.38%
80,000	96	36 out of 96 to receive 5,000 Shares	2.34%
90,000	304	120 out of 304 to receive 5,000 Shares	2.19%
100,000	428	187 out of 428 to receive 5,000 Shares	2.18%
150,000	161	105 out of 161 to receive 5,000 Shares	2.17%
200,000	183	154 out of 183 to receive 5,000 Shares	2.10%
250,000	82	5,000 Shares	2.00%
300,000	61	5,000 Shares plus 5 out of 61 to receive additional 5,000 Shares	1.80%
350,000	41	5,000 Shares plus 10 out of 41 to receive additional 5,000 Shares	1.78%
400,000	69	5,000 Shares plus 27 out of 69 to receive additional 5,000 Shares	1.74%
450,000	9	5,000 Shares plus 5 out of 9 to receive additional 5,000 Shares	1.73%
500,000	59	5,000 Shares plus 40 out of 59 to receive additional 5,000 Shares	1.68%
600,000	39	10,000 Shares	1.67%

<b>Number of Shares applied for</b>	<b>Number of valid applications</b>	<b>Basis of allotment/ballot</b>	<b>Approximate percentage allotted of the total number of Shares applied for</b>
700,000	13	10,000 Shares plus 3 out of 13 to receive additional 5,000 Shares	1.59%
800,000	14	10,000 Shares plus 7 out of 14 to receive additional 5,000 Shares	1.56%
900,000	8	10,000 Shares plus 6 out of 8 to receive additional 5,000 Shares	1.53%
1,000,000	48	15,000 Shares	1.50%
1,500,000	12	20,000 Shares	1.33%
2,000,000	10	25,000 Shares	1.25%
2,500,000	3	30,000 Shares	1.20%
3,000,000	6	35,000 Shares	1.17%
3,500,000	5	40,000 Shares	1.14%
4,000,000	7	45,000 Shares	1.13%
4,500,000	1	50,000 Shares	1.11%
5,000,000	2	55,000 Shares	1.10%
6,000,000	3	60,000 Shares	1.00%
7,000,000	3	65,000 Shares	0.93%
8,000,000	1	70,000 Shares	0.88%
10,000,000	3	75,000 Shares	0.75%
	<u>38,537</u>		
<b>Pool B</b>			
11,000,000	9	2,200,000 Shares	20.00%
14,000,000	1	2,700,000 Shares	19.29%
15,750,000	3	3,000,000 Shares	19.05%
	<u>13</u>		

The final number of Offer Shares allocated to the Public Offer is 63,000,000 Offer Shares, representing 20% of the total number of Offer Shares initially available under the Share Offer.



## RESULTS OF ALLOCATIONS

- The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Public Offer will be available at the times and date and in the manner specified below:
  - in the announcement to be posted on the Company’s website at **www.ds-lace.com** and the Stock Exchange’s website at **www.hkexnews.hk** by no later than 9:00 a.m. on Tuesday, 12 January 2021;
  - from the designated results of allocations website at **www.iporeresults.com.hk** (alternatively: English **https://www.eipo.com.hk/en/Allotment**; Chinese **https://www.eipo.com.hk/zh-hk/Allotment**) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Tuesday, 12 January 2021 to 12:00 midnight on Monday, 18 January 2021;
  - by telephone enquiry line by calling (852) 2862 8555 between 9:00 a.m. and 6:00 p.m. on Tuesday, 12 January 2021 to Friday, 15 January 2021; and
  - in the special allocation results booklets which will be available for inspection during opening hours on Tuesday, 12 January 2021 to Thursday, 14 January 2021 at the receiving bank’s designated branches set forth below:

### **Bank of China (Hong Kong) Limited**

<b>District</b>	<b>Branch Name</b>	<b>Address</b>
<b>Hong Kong Island</b>	Central District (Wing On House) Branch	B/F–2/F, Wing On House 71 Des Voeux Road Central Hong Kong
<b>Kowloon</b>	Jordan Road Branch	1/F, Sino Cheer Plaza 23–29 Jordan Road Kowloon
<b>New Territories</b>	Tuen Mun Town Plaza Branch	Shop 2 Tuen Mun Town Plaza phase II Tuen Mun New Territories

Applicants applying through their designated CCASS Participants (other than CCASS Investor Participants) can arrange with their designated CCASS Participants to advise them of the number of Shares allocated under their applications. Successful CCASS Investor Participants can check the number of Offer Shares allocated to them via the CCASS Phone System and CCASS Internet System on Tuesday, 12 January 2021 or from the activity statement that will be made available by HKSCC to them showing the number of Public Offer Shares credited to their CCASS Investor Participants’ stock accounts.

The final Offer Price, the indications of the level of interest in the Placing, the results of applications in the Public Offer and the basis of allocation of the Public Offer Shares will be published on Tuesday, 12 January 2021 on the website of the Stock Exchange at **www.hkexnews.hk** and the website of the Company at **www.ds-lace.com**.