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LAI SUN DEVELOPMENT

Lai Sun Development Company Limited
(Incorporated in Hong Kong with limited liability)

(Stock Code: 488)

PROFIT WARNING SUPPLEMENTAL ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

Further to the January Announcement, the Board wishes to inform that the Group is expected to record a consolidated loss attributable to the owners of the Company for the six months ended 31 January 2020 as compared to a consolidated profit attributable to owners of the Company for the same period last year. In addition to the factor set out in the January Announcement, the expected decline in the Group's consolidated results for the Period is primarily due to (i) the decrease in fair value of the investment properties owned by the Group and held through joint ventures of the Group, which will result in the recognition of significant fair value losses arising from revaluation of the Group's investment properties and share of losses from joint ventures of the Group for the Period; and (ii) lower profit contribution from the property sales of a joint venture project of the Group during the Period as compared to the same period last year.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Lai Sun Development Company Limited ("**Company**") and together with its subsidiaries, ("**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance, Chapter 571, the Laws of Hong Kong ("**SFO**").

Reference is made to the announcement of the Company dated 21 January 2020 ("**January Announcement**") in relation to the profit warning of the results of the Company for the six months ended 31 January 2020 ("**Period**"). The board of directors of the Company ("**Board**") wishes to further inform shareholders of the Company ("**Shareholders**") and potential investors that based on the preliminary unaudited consolidated management accounts of the Group, the Group is expected to record a consolidated loss attributable to owners of the Company for the Period as compared to a consolidated profit attributable to owners of the Company of approximately HK\$5,076.3 million for the same period last year.

In addition to the factor set out in the January Announcement, the expected decline in the Group's consolidated results for the Period is primarily due to (i) the decrease in fair value of the investment properties owned by the Group and held through joint ventures of the Group, which will result in the recognition of significant fair value losses arising from revaluation of the Group's investment properties and share of losses from joint ventures of the Group for the Period; and (ii) lower profit contribution from the property sales of a joint venture project of the Group during the Period as compared to the same period last year.

The principal activities of the Group include property investment, property development, investment in and operation of hotels and restaurants, media and entertainment, music production and distribution, films, video format products and television programmes production and distribution, cinema operation, cultural, leisure, entertainment and related facilities and investment holding.

As the Group's unaudited interim results for the Period have not yet been finalised, the information contained in this announcement is based on information that is currently available and the preliminary unaudited consolidated management accounts of the Group which have not yet been reviewed by the Company's audit committee. The unaudited interim results of the Group for the Period are expected to be published in late March 2020.

Shareholders and potential investors are, therefore, advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 20 March 2020

As at the date of this announcement, the board of directors of the Company comprises the following members:

Executive Directors: Dr. Lam Kin Ngok, Peter (Chairman) and Messrs. Chew Fook Aun (Deputy Chairman), Lau Shu Yan, Julius (Chief Executive Officer), Lam Hau Yin, Lester and Tham Seng Yum, Ronald;

Non-Executive Directors: Dr. Lam Kin Ming and Madam U Po Chu; and

Independent Non-Executive Directors: Messrs. Lam Bing Kwan, Leung Shu Yin, William, Ip Shu Kwan, Stephen and Leung Wang Ching, Clarence.