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LAI SUN DEVELOPMENT

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

ANNOUNCEMENT

The Directors of Lai Sun Development Company Limited (the "Company") wish to clarify a press report today on new issue of shares.

The Directors of the Company refer to an article in the Oriental Daily News today in which it is alleged that a debt restructuring plan involving, among other things, issue of new shares by the Company has proceeded to its final stage.

The Directors wish to clarify that the Company and its subsidiaries have initiated discussions with holders of the US\$115 million exchangeable bonds and the US\$150 million convertible bonds, and other creditors to explore the terms of a new debt restructuring plan (the "Plan"). As of today, no definitive terms in respect of the Plan have been agreed upon and no binding agreements have been executed. Further announcements in relation to the progress of the Plan will be made by the Company as appropriate.

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

By order of the Board
Lai Sun Development Company Limited
Yeung Kam Hoi
Company Secretary

Hong Kong, 25th November, 2002