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LAI SUN GARMENT
Lai Sun Garment (International) Limited
(Incorporated in Hong Kong with limited liability)

DISCLOSEABLE AND CONNECTED TRANSACTION
FAMILY ARRANGEMENT INVOLVING SHAREHOLDINGS IN
LAI SUN GARMENT (INTERNATIONAL) LIMITED
AND LAI SUN DEVELOPMENT COMPANY LIMITED
RESULTS OF EXTRAORDINARY GENERAL MEETING

The ordinary resolution to approve the Sale and Purchase Agreement, the Supplemental Deed and the transactions contemplated thereunder was not passed at the Extraordinary General Meeting.

Reference is made to the circular of the Company dated 15th August, 2002 (the "Circular"). Terms used in this announcement shall have the same meanings as used in the Circular unless defined otherwise.

The Board wishes to announce that the ordinary resolution to approve the Sale and Purchase Agreement, the Supplemental Deed and the transactions contemplated thereunder was not passed at the Extraordinary General Meeting of the Company held on 4th September, 2002. As a result, none of the Deed of Gift, the Asset Swap Agreement, the Sale and Purchase Agreement and the Supplemental Deed will proceed to completion. However, the operating and financial position of the LSG Group will not be materially adversely affected as a result of the disapproval of the ordinary resolution.

The Board noted that the votes which were cast at the Extraordinary General Meeting represented only approximately 37% of the total number of issued shares held by Independent Shareholders. The Company will endeavour to enhance communication channels with minority shareholders to improve their level of participation at future general meetings of the Company. The Directors remain convinced that the proposal detailed in the Circular was made in the best interest of the Company. Further announcement will be made in respect of future development of the proposal as and when necessary.

By Order of the Board
Lai Sun Garment (International) Limited
Yeung Kam Hoi
Company Secretary

Hong Kong, 4th September, 2002