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LAI SUN DEVELOPMENT

Lai Sun Development Company Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 488)

PROFIT WARNING

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.

The Board wishes to inform that the Group is expected to record a consolidated loss attributable to owners of the Company for the year ending 31 July 2020 as compared to a consolidated profit attributable to owners of the Company for the year ended 31 July 2019. Such decline in the Group's results is primarily due to the absence of the net gain from the one-off bargain purchase on acquisition of subsidiaries of approximately HK\$3,736.7 million recorded during the year ended 31 July 2019 and decrease in valuations of properties owned by the Group. Further announcement will be made by the Company to keep Shareholders and potential investors informed of the financial performance of the Group as and when appropriate.

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 (“**Stock Exchange**” and “**Listing Rules**” respectively) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance, Chapter 571, the Laws of Hong Kong (“**SFO**”).

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.

Based on the latest management information currently available to the Company and an assessment of the deteriorated market conditions and the business disruptions of the Group caused by the outbreak of the COVID-19, the board of directors of the Company (“**Board**”) wishes to inform shareholders of the Company (“**Shareholders**”) and potential investors that the Group is expected to record a consolidated loss attributable to owners of the Company for the year ending 31 July 2020 (“**Year**”) as compared to a consolidated profit attributable to owners of the Company of approximately HK\$4,842.9 million for the year ended 31 July 2019. Such decline in the Group’s results is primarily due to the absence of the net gain from the one-off bargain purchase on acquisition of subsidiaries of approximately HK\$3,736.7 million recorded during the year ended 31 July 2019 and decrease in valuations of properties owned by the Group.

The information contained in this announcement represents a preliminary assessment based on information that is currently available to the Board and such information has not been reviewed or audited by the independent auditor of the Group. The Company has not yet begun to prepare its full year results which are subject to further review and assessment by the Company’s audit committee, the Board and the Group’s independent auditor. Therefore, the Group’s audited consolidated results for the Year may be different from the information set out in this announcement. Further announcement will be made by the Company to keep the Shareholders and potential investors informed of the financial performance of the Group as and when appropriate. The final results announcement of the Company for the Year is expected to be published in late October 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, 24 July 2020

As at the date of this announcement, the Board 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 (also alternate to Madam U Po Chu) 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.