LAI SUN DEVELOPMENT

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

(Stock Code: 488)

(1) DELAY IN DISPATCH OF CIRCULAR FOR A MAJOR TRANSACTION AND (2) EXECUTION OF THE FE AGREEMENT

Reference is made to the announcement of the Company dated 12 July 2011 (the "**Announcement**") in respect of, among other things, the major transaction in relation to the proposed acquisition of 50% interest (and an option to acquire an additional 10% interest) in Best Value International Limited. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

DELAY IN DISPATCH OF CIRCULAR

As disclosed in the Announcement, a circular (the "**Circular**") containing, among other things, details of the Acquisition Agreement, the accountants' report of the Target Group, the financial information of the Group, the valuation report on the Properties, the notice of EGM and other information as required under the Listing Rules was expected to be dispatched to the Shareholders on or about 15 September 2011.

As more time is required to prepare and finalise the contents of the Circular, the dispatch date of the Circular is expected to be postponed to on or before 4 October 2011.

EXECUTION OF THE FE AGREEMENT

The Board has been informed by the Vendors that the FE Agreement was executed by the Vendors and the Other Shareholder on 1 August 2011 but as at the date of this announcement, completion under the FE Agreement has not taken place. According to the terms of the Acquisition Agreement, if completion under the FE Agreement does not take place within one month from the Completion Date due to reasons other than the default of the Vendor(s), then the Option shall be exercisable by the Purchaser. Given that completion under the FE Agreement has not taken place as at the date of this announcement and the Option will only be exercisable by the Purchaser if completion under the FE Agreement fails to take place in accordance with the time and other terms prescribed in the Acquisition Agreement, the Option may or may not be exercisable by the Purchaser.

By Order of the Board
Lai Sun Development Company Limited
Kwok Siu Man
Company Secretary

Hong Kong, 15 September 2011

As at the date of this announcement, the executive Directors are Dr. Lam Kin Ngok, Peter (Chairman) and Messrs. Lau Shu Yan, Julius (Chief Executive Officer), Tam Kin Man, Kraven, Cheung Wing Sum, Ambrose, Lui Siu Tsuen, Richard and Cheung Sum, Sam; the non-executive Directors are Dr. Lam Kin Ming, Madam U Po Chu and Mr. Wan Yee Hwa, Edward; and the independent non-executive Directors are Messrs. Lam Bing Kwan, Leung Shu Yin, William and Ip Shu Kwan, Stephen.