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eSun Holdings Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 571)

DISCLOSURE PURSUANT TO RULES 13.13 AND 13.16 OF THE LISTING RULES

This announcement is made pursuant to Rules 13.13 and 13.16 of the Listing Rules to disclose the Company's total advances to an entity and financial assistance to a Company's affiliated company, which exceeded 8% of the Company's market capitalization as at 2nd September, 2004.

Under Rule 13.13 of the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), a disclosure obligation arises where the total advances to an entity from eSun Holdings Limited ("Company") and its subsidiaries (collectively, "Group") exceed 8% of the relevant percentage ratios set out in Rule 14.07 of the Listing Rules.

Under Rule 13.16 of the Listing Rules, a disclosure obligation arises where any of the relevant percentage ratios of the financial assistance to affiliated companies of the Company, and guarantees given for facilities granted to affiliated companies together in aggregate exceeds 8%.

The Company has made a number of advances to The Artiste Campus International Limited ("ACIL"), a 50%-owned jointly-controlled company of the Company in accordance with the terms of the relevant shareholders' agreement. The remaining 50% interest of ACIL is owned by a third party independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

As at 2nd September 2004, there were 671,184,929 shares of the Company in issue. Based on the average closing price ("Average Closing Price") of the Company's shares of HK\$0.274 as stated in the Stock Exchange's daily quotation sheets for the five business days from 26th August, 2004 to 1st September, 2004 (both days inclusive), the total market capitalization of the Company was approximately HK\$183,904,671 as at 2nd September, 2004. As at 31st December, 2003, the balance of advances made by the Company to ACIL was HK\$13,129,000. During the period from 31st December, 2003 to 1st September, 2004, the advances made by the Company was HK\$1,550,000. After making a further advance of HK\$200,000 on 2nd September, 2004, the total advances made by the Company to ACIL amounted to HK\$14,879,000, which equalled to approximately 8.09% of the Company's total market capitalization as at 2nd September, 2004.

The advances were made to ACIL as working capital. The advances are unsecured, bear interest at the rate of 1% over the prime rate quoted by The Hongkong & Shanghai Banking Corporation Limited per annum and have no fixed term of repayment. There is no guarantee given for the advances.

Save as disclosed in this announcement, there is no other obligation which has arisen under Rules 13.13 to 13.19 of the Listing Rules.

By order of the Board
eSun Holdings Limited
Yeung Kam Hoi
Company Secretary

Hong Kong, 17th November, 2004

The executive directors of the Company are Mr. Lien Jown Jing, Vincent, Mr. Lee Po On, Mr. Lam Kin Ngok, Peter and Mr. Liu Ngai Wing; the non-executive directors are Mr. Lam Kin Ming, Madam Tam Wai Chu, Maria, Madam U Po Chu, Mr. Shiu Kai Wah and Mr. Chiu Wai and the independent non-executive directors are Mr. Alfred Donald Yap, Mr. Low Chee Keong and Mr. Tong Ka Wing, Carl.