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

ANNOUNCEMENT CONTINUING CONNECTED TRANSACTION

Media Asia, a wholly-owned subsidiary of the Company, entered into the Offer Letter with Gilroy, a wholly-owned subsidiary of LSD on 6 October 2010, pursuant to which Gilroy agreed to lease to Media Asia the Premises for a term of three years commencing from 1 October 2010 to 30 September 2013.

As LSD holds a 36.08% interest in the Company, Gilroy is therefore an associate of a connected person of the Company under the Listing Rules. Accordingly, the entering into of the Offer Letter between Gilroy and Media Asia constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios for the transaction under the Offer Letter is less than 5% on an annual basis, the transaction under the Offer Letter is subject to the reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules but no independent shareholders' approval is required.

On 6 October 2010, Media Asia, a wholly-owned subsidiary of the Company, entered into the Offer Letter with Gilroy, a wholly-owned subsidiary of LSD, pursuant to which Gilroy agreed to lease to Media Asia the Premises for a term of three years from 1 October 2010. Major terms of the Offer Letter are as follows:-

THE OFFER LETTER

Date	:	6 October 2010
Landlord	:	Gilroy
Tenant	:	Media Asia
Premises	:	The whole 24th Floor, Causeway Bay Plaza 2, 463-483 Lockhart Road, Hong Kong

Gross Floor Area	:	7,500 sq. ft.
Term	:	3 years, from 1 October 2010 to 30 September 2013 (both days inclusive)
Rent	:	HK\$202,500 per calendar month (exclusive of rates, government rent, management fee, air-conditioning charges and other outgoings)
Management Fee and Air-conditioning Charges	:	HK\$39,750 per calendar month (subject to revision from time to time)
Rates and Government Rent	:	Media Asia shall be responsible for paying the rates and government rent (if any) quarterly in advance and subject to revision from time to time
Use of Premises	:	Restricted for office use

A formal tenancy agreement will be signed between Gilroy and Media Asia. The Offer Letter shall continue to be a binding tenancy agreement between the parties until it is superseded by the formal tenancy agreement subsequently entered into.

The aggregate annual rental (exclusive of other charges) payable by Media Asia to Gilroy under the Offer Letter for each of the financial years ending 31 December 2010, 2011, 2012 and 2013 of the Company will be subject to the cap amount of HK\$607,500, HK\$2,430,000, HK\$2,430,000 and HK\$1,822,500 respectively.

The cap amounts are determined by reference to the annual rent payable by Media Asia to Gilroy under the Offer Letter.

REASONS FOR THE TRANSACTION

The terms and conditions of the Offer Letter were determined after arm's length negotiations between the parties. The rental and other fees have been determined by reference to open market rates for comparable premises in Causeway Bay Plaza 2. Media Asia had taken into account the convenient location and the quality of the Premises concerned.

Causeway Bay Plaza 2 is held by LSD Group as investment for rental purpose. The directors of the Company (including the independent non-executive directors) are of the opinion that the Offer Letter was (i) entered into in the ordinary and usual course of business of the Group; (ii) on normal commercial terms after arm's length negotiations between the parties; and (iii) on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES REQUIREMENTS

Gilroy, as landlord, is a wholly-owned subsidiary of LSD and Media Asia, as tenant, is a wholly-owned subsidiary of the Company. As LSD holds a 36.08% interest in the Company, Gilroy is therefore an associate of a connected person of the Company under the Listing Rules. Accordingly, the entering into of the Offer Letter between Gilroy and Media Asia constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios for the transaction under the Offer Letter is less than 5% on an annual basis, the transaction under the Offer Letter is a continuing connected transaction under Rule 14A.34 of the Listing Rules, and is subject to reporting and announcement requirements under Rules 14A.45 to 14A.47 of the Listing Rules but no independent shareholders' approval is required. The Company will comply with the requirements under Rules 14A.37 to 14A.40 of the Listing Rules in relation to the Offer Letter during each of the financial years covering the Offer Letter.

None of the directors of the Company have a material interest in the transaction.

GENERAL

The Group is principally engaged in the development and operation of, and investment in, media and entertainment, production and distribution of music and films and video format products, the provision of advertising agency services and the development of Macao Studio City, an integrated leisure resort comprising theatre, concert and live entertainment, retail and gaming facilities and hotels in Cotai, Macau Special Administrative Region of the People's Republic of China.

The LSD Group is principally engaged in property development for sale and investment purpose and property investment in Hong Kong, investment in and the operation of hotels and restaurants and investment holding.

DEFINITIONS

“associate”	has the meaning ascribed to it under the Listing Rules
“Company”	eSun Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange (Stock Code: 571)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Group”	the Company and its subsidiaries
“Gilroy”	Gilroy Company Limited, a company incorporated in Hong Kong with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“LSD”	Lai Sun Development Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange (Stock Code: 488)
“LSD Group”	LSD and its subsidiaries
“Media Asia”	Media Asia Group Limited, a company incorporated in Hong Kong with limited liability
“Offer Letter”	the offer letter from Gilroy and accepted by Media Asia on 6 October 2010, pursuant to which Gilroy has leased the Premises to Media Asia
“Premises”	the whole 24th Floor, Causeway Bay Plaza 2, 463-483 Lockhart Road, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s)
“%”	per cent

By Order of the Board
eSun Holdings Limited
Goh Soon Khian
Company Secretary

Hong Kong, 6 October 2010

As at the date of this announcement, the executive directors of the Company are Mr. Lam Kin Ngok, Peter, Miss Leung Churk Yin, Jeanny, Mr. Cheung Wing Sum, Ambrose and Mr. Lui Siu Tsuen, Richard; the non-executive directors are Mr. Low Chee Keong, Madam U Po Chu, Mr. Lo Kwok Kwei, David and Mr. Albert Thomas da Rosa, Junior; and the independent non-executive directors are Mr. Tong Ka Wing, Carl, Mr. Alfred Donald Yap and Dr. Ng Lai Man, Carmen.