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

ANNOUNCEMENT

UPDATE RELATING TO THE RETAIL COMPONENT OF THE MACAO STUDIO CITY

The Company announces that the agreements entered into between members of the Cyber One Group and members of the Taubman Group relating to the proposed retail component of the Macao Studio City have terminated on account of the fact that certain pre-conditions to the venture, including securing all necessary construction financing for the Project, have not been fulfilled.

Reference is made to the joint announcement of the Company and LSD dated 31 January 2008 and to the circular of the Company dated 28 February 2008. Capitalised terms used, but not specifically defined in, this announcement shall have the meanings attributed to them in the Joint Announcement and/or the Circular.

On 29 January 2008, members of the Cyber One Group entered into certain agreements with members of the Taubman Group in respect of a joint venture established with the intention that it should own, develop and operate the retail component of the 'Macao Studio City'. The various agreements comprised the Equity Participation Agreement, the Joint Venture Agreement, the Agreement for Lease, the Development Services Agreement and the Management and Leasing Agreement.

As outlined in the Joint Announcement and the Circular, pursuant to the terms of the Equity Participation Agreement, the initial cash consideration payable by Taubman Sub to Cyber One for a 25% participation interest in the retail component of the Macao Studio City, being approximately HK\$377 million, and the US\$6 million reimbursement sum in respect of certain initial build costs, were paid into an escrow account, pending fulfilment of various pre-conditions.

On 13 August 2009, the amount contained in the escrow account was returned to the Taubman Group on the basis that one or more of the pre-conditions, including securing all necessary construction financing for the Project, had not, by then, been fulfilled. In accordance with the terms of the Equity Participation Agreement, that agreement (and all of the other agreements referred to above), thereupon automatically terminated with immediate effect, with no party owing any further obligations to any other party, save for any arising out of antecedent breaches or as are expressed to survive termination.

The Company is aware that the retail element of the Macao Studio City will be one of the key components of the Project and, being one of the principal stakeholders in the Project, the Company is keen to explore, together with the other stakeholders and Taubman, whether it might be possible to revive or re-configure the arrangements with the Taubman Group, although the Company cannot give any assurances that this will be achievable.

In this announcement, the following terms have the following meanings ascribed to them:-

“Circular”	the circular of the Company dated 28 February 2008;
“Company”	eSun Holdings Limited, a company incorporated in Bermuda whose shares are listed on the Stock Exchange;
“Cyber One”	Cyber One Agents Limited, a private company incorporated in the British Virgin Islands, being the developer of the Macao Studio City project. Cyber One is owned as to 60% by East Asia Satellite Television (Holdings) Limited, a non-wholly owned subsidiary of the Company;
“Group”	the Company and its subsidiaries;
“Joint Announcement”	the joint announcement of the Company and LSD dated 31 January 2008; and
“LSD”	Lai Sun Development Company Limited, a company incorporated in Hong Kong whose shares are listed on the Stock Exchange.

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

Hong Kong, 21 August 2009

As at the date of this announcement, the executive directors of the Company are Mr. Lam Kin Ngok, Peter, Mr. Cheung Wing Sum, Ambrose, Miss Leung Churk Yin, Jeanny and Mr. Low Kit Leong; the non-executive directors are Mr. Lien Jown Jing, Vincent, Mr. Lam Kin Ming, Madam U Po Chu and Mr. Lo Kwok Kwei, David, and the independent non-executive directors are Mr. Tong Ka Wing, Carl, Mr. Alfred Donald Yap, Mr. Low Chee Keong and Dr. Ng Lai Man, Carmen.