



eSun Holdings Limited

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



LAI SUN DEVELOPMENT

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

CONDITIONAL PROJECT FINANCING FOR MACAO STUDIO CITY

The Directors of eSun and of LSD are pleased to announce that Cyber One and its subsidiary, Macau Co, have entered into a commitment letter with Deutsche Bank AG, Hong Kong Branch and Morgan Stanley Senior Funding, Inc. concerning the proposed arrangement of syndicated credit facilities of US\$1.20 billion. On the same date, Cyber One also entered into an engagement letter with Deutsche Bank AG, Hong Kong Branch and Morgan Stanley Asia Limited for additional debt financing of US\$500 million, in relation to the financing of Cyber One's 'Macao Studio City' project.

The Proposed Financing remains subject to documentation and customary closing conditions and is also conditional on the Cyber One Group obtaining the additional debt financing of US\$500 million for use in connection with the Project.

Potential investors and shareholders of eSun and of LSD are urged to exercise caution when dealing in the securities of eSun and LSD, respectively. Further announcements will be made by eSun and LSD if there are updates in connection with the Proposed Financing.

Background

Cyber One is an indirect, non-wholly owned subsidiary of eSun. It is accounted for as a jointly controlled company in the accounts of the eSun Group, with eSun owning a 40% attributable interest in Cyber One.

Cyber One's subsidiary, Macau Co, owns a leasehold interest in the Cotai Site on which it is proposed, subject to the Macau government's approval, that the Project will be developed.

Proposed Financing

On 31 May 2007, Cyber One and Macau Co entered into a Commitment Letter with the Joint Lead Arrangers concerning proposed funding arrangements for the Project. The Proposed Financing envisaged in the Commitment Letter would comprise syndicated credit facilities of US\$1.20 billion to be borrowed by Macau Co and its US-domiciled special purpose borrowing vehicle. On the same date, Cyber One also entered into an engagement letter with Deutsche Bank AG, Hong Kong Branch and Morgan Stanley Asia Limited for additional debt financing of US\$500 million.

The proceeds of these facilities, together with the proceeds of additional debt financing, would be used to fund project costs associated with the design, development, construction and other pre-opening expenditures of the hotel, retail and entertainment portions of the Macao Studio City project, to pay related fees, interests and expenses incurred in connection with the syndicated credit facilities and the additional debt financing, and for other working capital and general corporate purposes.

The Proposed Financing is expected to be secured by, amongst other things, a mortgage in respect of the land concession and improvements from time to time comprising the Cotai Site and pledges over the shares in Cyber One and each member of the Cyber One Group. The Proposed Financing would otherwise be without recourse to eSun (or LSD) or any of the other direct or indirect shareholders of Cyber One.

The Proposed Financing is subject to customary conditions, including the preparation, negotiation, execution and delivery of mutually acceptable loan documentation, satisfactory due diligence, obtaining the additional debt financing of US\$500 million, and receipt of all applicable Macau government and other authority approvals in respect of the Project.

This announcement is made by eSun and LSD in accordance with the general disclosure obligations of listed issuer under Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. LSD owns approximately 34.75% equity interest in eSun. Further announcement(s) concerning the Proposed Financing will be made, as appropriate, in due course.

This announcement is not, and is not intended to be, an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration on an exemption from registration under the U.S. Securities Act of 1933, amended (the “Securities Act”) and any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer or selling security holder and that will contain detailed information about the company and management, as well as financial statements.

In this announcement, the following expressions shall have the following meanings:-

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| “Commitment Letter” | the letter dated 31 May 2007 from the Joint Lead Arrangers to, and as accepted by, Macau Co and Cyber One in relation to the Proposed Financing; |
| “Cotai Site” | all that piece or parcel of land with an area of approximately 140,789 square metres (or approximately 1.52 million square feet) known as Zona de Aterro entre Taipa e Coloane, Lotes G300, G310 e G400, Estrada Flôr de Lotus, Macau, as marked on the plan gazetted as page 5731 on No. 42-17-10-2001 “Boletim Oficial de Região Administrativa Especial de Macau — II Serie”; |
| “Cyber One Group” | Cyber One and its subsidiaries, including Macau Co; |

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| “Cyber One” | Cyber One Agents Limited, a company incorporated in the British Virgin Islands; |
| “eSun” | eSun Holdings Limited; |
| “Joint Lead Arrangers” | Deutsche Bank AG, Hong Kong Branch and Morgan Stanley Senior Funding, Inc.; |
| “LSD” | Lai Sun Development Company Limited; |
| “Macau” | the Macau Special Administrative Region of the People’s Republic of China; |
| “Macau Co” | East Asia-Televisão Por Satélite Limitada, a company incorporated under the laws of Macau; |
| “Proposed Financing” | the proposed financing for the Project as set out in the Commitment Letter (which excludes any financing associated with any casino that may operate on the Cotai Site); and |
| “Project” | an approximately 3.65 million gross square foot project, known as ‘Macao Studio City’ to be constructed on an approximately 32.3 acre parcel of land in the Cotai District of Macau, envisaged to contain retail, hotel, apartments, entertainment, integrated television and future production studios and other facilities. For these purposes, the Project excludes a proposed ‘Phase II development’, which it is intended would be situated on approximately 9.85 acres of the above mentioned 32.3 acre parcel of land. |

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

By order of the Board
Lai Sun Development Company Limited
Yeung Kam Hoi
Company Secretary

Hong Kong 31 May 2007

As at the date hereof, the executive directors of eSun are Mr. Lam Kin Ngok, Peter, Mr. Liu Ngai Wing and Mr. Cheung Wing Sum, Ambrose; the non-executive directors are Mr. Lien Jown Jing, Vincent, Mr. Lam Kin Ming, Madam Tam Wai Chu, Maria and Madam U Po Chu and the independent non-executive directors are Mr. Alfred Donald Yap, Mr. Low Chee Keong and Mr. Tong Ka Wing, Carl.

As at the date hereof, the executive directors of LSD are Mr. Lam Kin Ngok, Peter, Mr. Lau Shu Yan, Julius, Mr. Tam Kin Man, Kraven and Mr. Cheung Wing Sum, Ambrose; the non-executive directors are Mr. Lam Kin Ming and Madam U Po Chu and the independent non-executive directors are Mr. David Tang, Mr. Lam Bing Kwan and Mr. Leung Shu Yin, William.

Please also refer to the published version of this announcement in The Standard.