



LAI SUN DEVELOPMENT

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



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

**PROPOSED PRIVATISATION OF eSUN HOLDINGS LIMITED
BY LAI SUN DEVELOPMENT COMPANY LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT**

Financial adviser to Lai Sun Development Company Limited



道亨證券有限公司

DaoHeng Securities Ltd.

The Proposal was approved by the LSD Shareholders at the EGM.

However, the Scheme was disapproved at the Court Meeting of eSun and therefore the Proposal will not be implemented. Accordingly the offer period (as defined in the Takeovers Code) in relation to the Proposal has ended. The listing of the eSun Shares on the Stock Exchange will be maintained and no major and connected transaction for LSD will take place.

At the request of LSD and eSun, trading in the LSD Shares and the eSun Shares on the Stock Exchange was suspended with effect from 11:57 a.m. and 9:30 a.m. on 30th April, 2003 respectively pending the issue of this announcement. Applications have been made by LSD and eSun to the Stock Exchange for the resumption of trading in the LSD Shares and the eSun Shares respectively with effect from 9:30 a.m. on 2nd May, 2003.

Reference is made to the joint announcements of LSD and eSun dated 19th February, 20th February, 11th March, 26th March and 29th March, 2003, the announcement of LSD dated 24th March, 2003, the announcement of eSun dated 24th March, 2003, eSun's circular to its shareholders dated 31st March, 2003 and LSD's circular to its shareholders dated 31st March, 2003 (the "Scheme Document") regarding, among other things, the Proposal. Capitalised terms used in this announcement have the same meanings as defined in the Scheme Document unless the context otherwise requires.

Results of the extraordinary general meeting of LSD

The board of directors of LSD announces that LSD held an extraordinary general meeting (the "EGM") today to consider the ordinary resolution for approving the Proposal. At the EGM, on a show of hands, 15 votes were cast for the resolution and 2 votes were cast against the resolution. Accordingly, the resolution was approved.

Results of the Court Meeting and the special general meeting of eSun

The board of directors of eSun announces that eSun held the Court Meeting today to consider the resolution for approving the Scheme by the Independent eSun Shareholders. At the Court Meeting a total of 90,629,818 Scheme Shares (representing approximately 15.9% of the total issued share capital of eSun) were voted, by way of poll, either in person or by proxy at the Court Meeting. Of these, 3 Independent eSun Shareholders representing 20,776,600 Scheme Shares voted in favour of the Scheme (amounting to approximately 22.9% of the Scheme Shares represented and voted at the meeting) and 11 Independent eSun Shareholders representing 69,853,218 Scheme Shares voted against the Scheme (amounting to approximately 77.1% of the Scheme Shares represented and voted at the meeting and approximately 30.8% of all the Scheme Shares held by the Independent eSun Shareholders). Accordingly, the resolution was not approved in accordance with the relevant requirements under the Companies Act and the Takeovers Code. The Scheme cannot be put into effect and hence has lapsed.

As the Scheme was disapproved at the Court Meeting, a resolution was proposed and unanimously passed at the SGM for adjourning the SGM indefinitely.

General

As the Scheme has been disapproved at the Court Meeting such that the Proposal will not be implemented, the offer period (as defined in the Takeovers Code) in relation to the Proposal has ended. The listing of the eSun Shares on the Stock Exchange will be maintained and no major and connected transaction for LSD will take place.

As at 28th March, 2003, being the latest practicable date of the Scheme Document (the "Latest Practicable Date"), the LSD Group and the Excluded Persons were together beneficially interested in an aggregate of 344,509,540 eSun Shares. During the period starting from the Latest Practicable Date to the date of this announcement, there has been no change in the respective shareholdings of the LSD Group or any of the

Excluded Persons in eSun and none of the LSD Group nor any of the Excluded Persons have dealt for value in any shares, convertible securities, warrants, options or derivatives of eSun during that period.

The boards of directors of LSD and eSun will continue to work together with a view to formulating mutually acceptable proposals for a restructuring of the approximate HK\$1,500 million loan due from a subsidiary of LSD, and guaranteed by LSD, to the eSun Group. Such a restructuring would form part of a wider restructuring and refinancing of the indebtedness owed by LSD, including to the Bondholders. Further announcements in this regard will be made, in due course, as and when appropriate.

In the meantime, LSD Shareholders, eSun Shareholders and potential investors are advised to exercise extreme caution when dealing in LSD Shares and eSun Shares.

At the request of LSD and eSun, trading in the LSD Shares and the eSun Shares on the Stock Exchange was suspended with effect from 11:57 a.m. and 9:30 a.m. on 30th April, 2003 respectively pending the issue of this announcement. Applications have been made by LSD and eSun to the Stock Exchange for the resumption of trading in the LSD Shares and the eSun Shares respectively with effect from 9:30 a.m. on 2nd May, 2003.

By Order of the board of
Lai Sun Development Company Limited
Yeung Kam Hoi
Company Secretary

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

Hong Kong, 30th April, 2003

The directors of LSD jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the eSun Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the eSun Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to the eSun Group), the omission of which would make any statement in this announcement misleading.

The directors of eSun jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the eSun Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement relating to the eSun Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement relating to the eSun Group, the omission of which would make any statement in this announcement misleading.