



LAI SUN DEVELOPMENT

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

(Stock Code: 488)



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 571)

JOINT ANNOUNCEMENT

eSun has been exploring the feasibility of a number of potential development plans for the remainder of the Site (the "Proposals").

eSun would like to emphasise that the Proposals are currently at a preliminary stage and may or may not proceed.

Shareholders and other investors of LSD and eSun are advised to exercise caution when dealing in the shares of either company.

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted the recent increase in the price and trading volume of the shares of eSun Holdings Limited ("eSun") and Lai Sun Development Company Limited ("LSD") and wish to state that we are not aware of any reasons for such increase.

We wish to advise that at an informal press briefing held after the annual general meetings of four Lai Sun Group companies, namely, Lai Sun Garment (International) Ltd., Lai Fung Holdings Ltd. ("Lai Fung"), Crocodile Garments Ltd. and LSD, held this morning, reference was made, in response to a question from the press, to the development of the proposed residential property project of eSun with Lai Fung in Macau, details of which have been disclosed in a Discloseable Transaction circular of eSun dated 6th December, 2004 and of the site in which the aforesaid project is located (the "Site") in general. The Site covers an area of approximately 141,000 sq.m. (approximately 1,517,160 sq.ft.) of which 20,000 sq.m. (approximately 215,200 sq.ft.) have been earmarked for the aforesaid project.

eSun has been exploring the feasibility of a number of potential development plans for the remainder of the Site (the "Proposals"). One of the Proposals may possibly involve the establishment of two hotels and a TV studio/city, subject to obtaining the requisite approval from the relevant authorities and on the assumption that projected plot ratios in the range of 2.5 to 3 would be applicable for the Proposals. Should the aforesaid Proposal proceed, total estimated construction costs for the hotels would be in the region of HK\$2 billion. **eSun would like to emphasise that the Proposals are currently at a preliminary stage and may or may not proceed.**

We also confirm that no formal agreement has been signed between eSun and LSD on the services that LSD may provide to eSun. However, given the expertise of LSD in property development, eSun does not rule out the possibility of inviting LSD to serve as an advisor to eSun in the formulation of the Proposals. LSD confirms that it has no current intention to initiate a direct equity interest in the Proposals, although LSD may benefit from this project through its 42.54% shareholding interest in eSun, which now holds a 40.8% shareholding interest in LSD.

eSun confirms that save for the right of Lai Fung to participate in the aforesaid residential property development, the land-use right in respect of the Site is held by eSun.

We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23, neither is the respective Board of eSun and LSD aware of any matter discloseable under the general obligation imposed by rule 13.09, which is or may be of a price-sensitive nature.

Shareholders and other investors of LSD and eSun are advised to exercise caution when dealing in the shares of either company.

Made by the order of the respective Board of Directors of eSun and LSD the Directors of which individually and jointly accept responsibility for the accuracy of this statement.

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, 29th December, 2004

As at the date hereof, the executive directors of eSun 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.

The executive directors of LSD are Mr. Lim Por Yen, Mr. Lam Kin Ngok, Peter, Mr. Lau Shu Yan, Julius, and Mr. Wu Shiu Kee, Keith; the non-executive directors are Mr. Lam Kin Ming, Madam U Po Chu, Mr. Chiu Wai, and Mr. Shiu Kai Wah and the independent non-executive directors are Mr. David Tang, Mr. Lam Bing Kwan and Mr. Leung Shu Yin, William.