



eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

CLARIFICATION OF PRESS REPORT RELATING TO GOLDEN HARVEST ENTERTAINMENT (HOLDINGS) LIMITED

AND

RESUMPTION OF TRADING

In a press article today, it was reported, among other things, that the Company was considering a proposal to acquire an interest in Golden Harvest Entertainment (Holdings) Limited.

No specific terms of the arrangements have been discussed or agreed and no formal agreement has been reached between the Company and Golden Harvest.

Trading in the shares of the Company (the "eSun Shares") on the Stock Exchange was suspended with effect from 10:01 a.m. on 5th June, 2003 at the request of the Company pending publication of this announcement. An application has been made by the Company for the resumption of trading of eSun Shares on the Stock Exchange with effect from 9:30 a.m. on 6th June, 2003.

In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing in eSun Shares.

PRESS REPORT CONCERNING GOLDEN HARVEST

Reference is made to a report in Hong Kong Economic Times today ("**Press Report**") in which it was reported, among other things, that the Company was considering a proposal to acquire an interest in Golden Harvest Entertainment (Holdings) Limited ("Golden Harvest") by way of injection of the entire interest of the Company in Media Asia Holdings Limited ("MAH") in return for the issue and allotment of new shares in Golden Harvest. The Company's entire interest in MAH currently stands at 35.13% but this will be increased to 49.77% on completion of the acquisition of the interest in MAH held by Splendid Agents Limited as disclosed in the Company's announcement dated 16th May, 2003.

The Directors of the Company wish to clarify certain inaccuracies in the Press Report regarding, in particular, the interests of MAH and Golden Harvest involved. Both Golden Harvest and MAH are well-established companies in the local film industry and there have been informal usual discussions on cooperation on business matters between members of management staff of both companies from time to time over the past two to three years. Both the Company and Golden Harvest have been exploring the creation of synergies, revenue enhancement and cost reduction by certain cooperation such as the showing of films produced by MAH at cinemas of Golden Harvest and the co-production of films. During the course of these discussions, the possibility of injection of the Company's interest in MAH in exchange of certain interest in Golden Harvest has also been considered. These discussions are very preliminary and no understanding has been reached on the extent of the Company's interest in MAH and the interest in Golden Harvest which might form the subject of the cooperation.

The Directors wish to confirm that no specific terms of the arrangements as aforesaid have been discussed or agreed and no formal agreement, either oral or written, has been reached between the Company and Golden Harvest. The cooperation arrangements as aforesaid may or may not proceed. The Directors consider that an announcement should be issued by the Company to clarify the contents of the Press Report, which is price-sensitive in nature. Further announcement will be made as appropriate in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

GENERAL

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In the meantime, shareholders of the Company and potential investors are advised to exercise caution when dealing in eSun Shares.

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