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eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 571)

Profit Warning

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules. The Board wishes to inform that as reported in the 2012-2013 Interim Report, the final results of the Group for Year 2013 are expected to decrease significantly as compared to those for last year as the one-off gain on bargain purchase recorded by the Group in Year 2012 will not be repeated in Year 2013.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by eSun Holdings Limited (“**Company**” and together with its subsidiaries, “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (“**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that as reported in the Company’s interim report for the six months ended 31 January 2013 (“**2012-2013 Interim Report**”), the final results attributable to owners of the Company for the year ending 31 July 2013 (“**Year 2013**”) are expected to record a significant decrease over those recorded for the year ended 31 July 2012 (“**Year 2012**”) as the one-off gain on bargain purchase recorded by the Group in Year 2012 will not be repeated in Year 2013.

As disclosed in the Management Discussion and Analysis section of the 2012-2013 Interim Report:

- (i) the Company had early adopted the Hong Kong Financial Reporting Standards (“**HKFRS**”) 10 *Consolidated Financial Statements* which allowed the Group to consolidate the results of Lai Fung Holdings Limited (“**Lai Fung**”) in Year 2012. Lai Fung has become a subsidiary of the Company since 11 June 2012 and the Company has approximately 49.39% shareholding interest in Lai Fung as at the date of this announcement;

- (ii) a one-off gain on bargain purchase of HK\$1,350.4 million as a result of the Company's increase in shareholding in Lai Fung through underwriting Lai Fung's open offer in 2012 was recognised in the second half of Year 2012 and substantially increased the profit of the Group from operating activities for that period; and
- (iii) after Lai Fung has been consolidated into the Group and become a subsidiary of the Company from 11 June 2012 due to the adoption of HKFRS 10, any gains, if any, from purchases of additional shares in Lai Fung would not be recorded as a profit and loss item in the consolidated income statement of the Group. Furthermore, purchases of additional shares in Lai Fung by the Group, if any, need to have regards to the creeper provision limit under the Code on Takeovers and Mergers and Share Repurchases and may or may not occur in the future, and will not have any impact on the Group's consolidated income statement. As such, the gain of HK\$1,350.4 million recorded in the second half of Year 2012 will not be repeated in Year 2013.

Shareholders and investors are reminded that the substantial gain recorded in the Company's final results for Year 2012 for reasons stated above and as explained in the 2012-2013 Interim Report is one-off in nature, the final results attributable to owners of the Company for Year 2013 are expected to record a significant decrease over those recorded for Year 2012.

As the Group's financial year end date of 31 July 2013 has yet to come, the information contained in this announcement is based on information that is currently available. The final results of the Group for Year 2013 are expected to be published around the middle of October 2013.

Shareholders and potential investors are, therefore, advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
eSun Holdings Limited
Chung Yim Hung Eliza
Company Secretary

Hong Kong, 17 June 2013

As at the date of this announcement, the Board comprises four Executive Directors, namely Dr. Lam Kin Ngok, Peter and Messrs. Lui Siu Tsuen, Richard (Chief Executive Officer), Chew Fook Aun and Lam Hau Yin, Lester; two Non-executive Directors, namely Madam U Po Chu and Mr. Andrew Y. Yan; and four Independent Non-executive Directors, namely Messrs. Low Chee Keong (Chairman), Alfred Donald Yap and Lo Kwok Kwei, David and Dr. Ng Lai Man, Carmen.