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SHUN TAK HOLDINGS LIMITED

信德集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 242)

Website: <http://www.shuntakgroup.com>

DISCLOSEABLE TRANSACTIONS

INTRODUCTION

Jetstar Hong Kong, a subsidiary of the Company for the purpose of the Listing Rules, as seller, entered into the Aircraft Sale Agreements with an affiliate of CMBL on 20 March 2015 for the sale of two aircraft for an aggregate consideration of US\$83,000,000.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Aircraft Sale Agreements is above 5% but less than 25%, the Disposals constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules which are subject to the reporting and announcement requirements but are exempt from the shareholders' approval requirement under the Listing Rules.

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THE AIRCRAFT SALE AGREEMENTS

The principal terms of each of the Aircraft Sale Agreements are set out as follows:

Date

20 March 2015

Parties

Seller: Jetstar Hong Kong

Buyer: Oriental Leasing 5 Company Limited

Aircraft to be sold

The aircraft to be sold comprised two unused Airbus A320-232 aircraft. Each aircraft is to be sold under its own Aircraft Sale Agreement as part of the Aircraft Sale Agreements.

Consideration

The consideration for each aircraft under the relevant Aircraft Sale Agreement is US\$41,500,000 and shall be satisfied in the following manner:

- (1) the Buyer has paid an initial deposit of US\$250,000 per aircraft to Jetstar Hong Kong prior to the date of the relevant Aircraft Sale Agreement;
- (2) the Buyer shall pay a subsequent deposit of US\$1,250,000 per aircraft to Jetstar Hong Kong within five (5) business days after the date of the relevant Aircraft Sale Agreement; and
- (3) the Buyer shall pay the remaining balance of the consideration for each aircraft on the delivery date of the relevant aircraft in accordance with the relevant Aircraft Sale Agreement.

The consideration for each aircraft was determined in accordance with customary business practice after arm's length negotiations between Jetstar Hong Kong and the Buyer with reference to (i) the market value of the relevant aircraft at the time of the negotiations; (ii) the offers that were received by Jetstar Hong Kong from other potential buyers; and (iii) the original acquisition cost of the relevant aircraft and the holding costs which would otherwise be incurred.

Conditions Precedent

Jetstar Hong Kong's obligation to sell and deliver each aircraft to the Buyer and the Buyer's obligation to purchase the relevant aircraft from Jetstar Hong Kong pursuant to the relevant Aircraft Sale Agreement is subject to satisfaction of a number of conditions precedent including but not limited to the following:

- (1) representations and warranties of the Buyer and Jetstar Hong Kong under the relevant Aircraft Sale Agreement are true and accurate as at delivery;
- (2) the Buyer and Jetstar Hong Kong have performed all of their obligations required under the relevant Aircraft Sale Agreement to be performed by each of them on or prior to the date of delivery;
- (3) Jetstar Hong Kong has received in full the consideration for each aircraft and the relevant payments and costs as set out in the relevant Aircraft Sale Agreement;
- (4) the relevant aircraft is in delivery condition as set out in the relevant Aircraft Sale Agreement;
- (5) Jetstar Hong Kong and the Buyer have received the conditions precedent documents set out in the relevant Aircraft Sale Agreement;
- (6) Jetstar Hong Kong and the Buyer are not in default of their respective obligations under the relevant Aircraft Sale Agreement or any other sale documents (as defined under such relevant Aircraft Sale Agreement) in any material respect;
- (7) no change having occurred after the date of the relevant Aircraft Sale Agreement in any applicable law which would make it illegal for Jetstar Hong Kong or the Buyer to perform any of their respective obligations under any sale documents (as defined under such relevant Aircraft Sale Agreement) to which it is a party (and any other documents or agreements to be entered into pursuant thereto); provided that if any such change has occurred Jetstar Hong Kong or the Buyer shall use all reasonable co-operative endeavours to restructure the transaction contemplated by such documents so as to avoid the aforementioned illegality; and
- (8) Jetstar Hong Kong has confirmed that any security interest in connection with its financing of the relevant aircraft has been released.

Delivery

The deliveries of the two aircraft under the Aircraft Sale Agreements are scheduled to happen on the relevant Scheduled Delivery Date. If the delivery does not occur on or before 20 June 2015 and 3 July 2015, respectively, or such other date agreed by the Buyer and Jetstar Hong Kong, the relevant Aircraft Sale Agreement shall be terminated.

INFORMATION ON THE GROUP AND JETSTAR HONG KONG

The Company is an investment holding company and its subsidiaries are engaged in a number of business activities including property development, investment and management, hospitality, transportation and investment.

Jetstar Hong Kong is an indirect non wholly-owned subsidiary of the Company under the Listing Rules. Subject to obtaining of all relevant government and regulatory approvals, Jetstar Hong Kong will be a Hong Kong-based low cost carrier flying to short haul destinations in Asia.

INFORMATION ON THE BUYER

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Buyer is principally engaged in the business of aircraft leasing and is an affiliate of CMBL.

The Company confirms that, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Buyer and its ultimate beneficial owner are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

REASONS AND BENEFITS OF THE TRANSACTIONS

As the establishment of Jetstar Hong Kong is taking longer than initially expected, the sale of aircraft under the Aircraft Sale Agreements will optimize the fleet plan in the short term.

The proceeds from the sale will be used for repayment of debt and for general working capital purposes of Jetstar Hong Kong.

The Directors believe that the terms of the Aircraft Sale Agreements are fair and reasonable and in the interest of the Company's shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

The unaudited net book value of each of the two aircraft under Aircraft Sale Agreements as at 31 December 2014 was US\$41,109,000. The Group's share of results in respect of the Aircraft Sale Agreements, which has taken into account the consideration and the unaudited net book value of the two aircraft as at the delivery date, is expected to be insignificant.

There is no net profit attributable to the aircraft under the Aircraft Sale Agreements for the two financial years immediately preceding the sale as neither aircraft was in operation during the relevant period.

IMPLICATIONS UNDER THE LISTING RULES

Based on the total assets of the Company of HK\$44,897.7 million as of 30 June 2014 and the market capitalization of HK\$10,009.7 million as of 20 March 2015, the consideration ratio calculated under Rule 14.07 of the Listing Rules at the relevant time is above 5% but less than 25%. Therefore, the Disposals constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, which are subject to the reporting and announcement requirements but are exempt from the shareholders' approval requirement under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Aircraft Sale Agreements”	the two aircraft sale agreements each dated 20 March 2015 entered into between Jetstar Hong Kong and the Buyer
“Board”	the board of Directors
“Buyer”	Oriental Leasing 5 Company Limited, an affiliate of CMBL
“CMBL”	CMB Financial Leasing Co., Ltd., a company incorporated in the People's Republic of China

“Company”	Shun Tak Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 242)
“Director(s)”	the directors of the Company
“Disposals”	the sale of two Airbus A320-232 aircraft under the Aircraft Sale Agreements
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Jetstar Hong Kong”	Jetstar Hong Kong Airways Limited, a company incorporated in Hong Kong and, for the purpose of the Listing Rules, an indirect non wholly-owned subsidiary of the Company in which the Group holds one-third economic interest
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Scheduled Delivery Date”	the date on which each aircraft is scheduled to be delivered by Jetstar Hong Kong to the Buyer pursuant to the relevant Aircraft Sale Agreement, being 21 May 2015 and 3 June 2015, respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America

By order of the Board
SHUN TAK HOLDINGS LIMITED
Angela Tsang
Company Secretary

Hong Kong, 20 March 2015

As at the date of this announcement, the executive Directors are Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, Mr. David Shum and Mr. Rogier Verhoeven; the non-executive Directors are Dato’ Dr. Cheng Yu Tung and Mrs. Louise Mok; and the independent non-executive Directors are Sir Roger Lobo, Mr. Norman Ho, Mr. Charles Ho and Mr. Michael Ng.