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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 TRANSACTION

INTRODUCTION

Jetstar Hong Kong, a subsidiary of the Company for the purpose of the Listing Rules, as seller, entered into the Aircraft Sale Agreement with a wholly-owned subsidiary of BoComm on 28 August 2015 for the sale of one aircraft at a consideration of US\$41,600,000.

LISTING RULES IMPLICATIONS

As the Disposal is expected to complete within a 12-month period from the completion of the Previous Disposal, and the Buyer and the buyers under the Previous Disposal are all wholly-owned subsidiaries of BoComm, the Disposal and the Previous Disposal are, pursuant to Rule 14.22 of the Listing Rules, aggregated for the purpose of determining relevant percentage ratio under Rule 14.07 of the Listing Rules. As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal (when aggregated with the Previous Disposal) is above 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules which is subject to the reporting and announcement requirements but is exempted from the shareholders' approval requirement under the Listing Rules.

DISCLOSEABLE TRANSACTION

Jetstar Hong Kong, a subsidiary of the Company for the purpose of the Listing Rules, as seller, entered into the Aircraft Sale Agreements with a wholly-owned subsidiary of BoComm on 28 August 2015 for the sale of one aircraft at a consideration of US\$41,600,000.

THE AIRCRAFT SALE AGREEMENT

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

Date

28 August 2015

Parties

Seller: Jetstar Hong Kong

Buyer: Jin Shan 8 Ireland Company Limited, a wholly-owned subsidiary of BoComm

Aircraft to be sold

The aircraft to be sold is an unused Airbus A320-232 aircraft.

Consideration

The consideration for the aircraft under the Aircraft Sale Agreement is US\$41,600,000 and shall be satisfied in the following manner:

- (1) the Buyer has paid an initial deposit of US\$300,000 to Jetstar Hong Kong prior to the date of the Aircraft Sale Agreement;
- (2) the Buyer shall pay a subsequent deposit of US\$600,000 to Jetstar Hong Kong within five (5) business days after the date of the Aircraft Sale Agreement; and
- (3) the Buyer shall pay the remaining balance of the consideration for the aircraft immediately prior to transfer of title of the aircraft to the Buyer.

The consideration for the 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 aircraft at the time of the negotiations; (ii) the offers received by Jetstar Hong Kong from other potential buyers; (iii) the original acquisition cost of the aircraft and the holding costs which would otherwise be incurred; and (iv) the current business and financial conditions of Jetstar Hong Kong.

Conditions Precedent

Jetstar Hong Kong's obligation to sell and deliver the aircraft to the Buyer and the Buyer's obligation to purchase the aircraft from Jetstar Hong Kong pursuant to the 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 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 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 the aircraft and the payments and costs as set out in the Aircraft Sale Agreement;
- (4) the aircraft is in delivery condition as set out in the Aircraft Sale Agreement; and
- (5) Jetstar Hong Kong and the Buyer have received the conditions precedent documents set out in the Aircraft Sale Agreement.

Delivery

The delivery of the aircraft under the Aircraft Sale Agreement is scheduled to happen on 25 September 2015. If the delivery does not occur by five (5) Business Days (as defined in the Aircraft Sale Agreement) after the scheduled delivery date (subject to limited extension), or such other date agreed by the Buyer and Jetstar Hong Kong, the Aircraft Sale Agreement shall be terminated. If termination of the Aircraft Sale Agreement is resulted from reasons attributable to the Buyer, the deposits paid by the Buyer will be forfeited by Jetstar Hong Kong, whereas Jetstar Hong Kong shall return the deposits received to the Buyer without interest or penalty if termination is resulted from reasons not attributable to the Buyer.

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.

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 a wholly-owned subsidiary of BoComm.

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 DISPOSAL

On 25 June 2015, Jetstar Hong Kong received the decision of ATLA that Jetstar Hong Kong's application for a licence to operate scheduled air services has been rejected. The sale of aircraft under the Aircraft Sale Agreement will be used for repayment of debt and for general working capital purposes of Jetstar Hong Kong as part of Jetstar Hong Kong's cost-saving measures.

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

FINANCIAL EFFECTS OF THE DISPOSAL

The audited net book value of the aircraft to be disposed of under the Aircraft Sale Agreement as at 31 December 2014 was US\$42.8 million. The Group's share of the financial impact of the Aircraft Sale Agreement, after taking into account the consideration and the unaudited net book value of the aircraft as at the expected delivery date, is expected to be insignificant to the Group.

There is no net profit attributable to the aircraft to be disposed of under the Aircraft Sale Agreement for the two financial years immediately preceding the sale as the aircraft was not in operation during the relevant period.

IMPLICATIONS UNDER THE LISTING RULES

As the Disposal is expected to complete within a 12-month period from the completion of the Previous Disposal, and the Buyer and the buyers under the Previous Disposal are all wholly-owned subsidiaries of BoComm, the Disposal and the Previous Disposal are, pursuant to Rule 14.22 of the Listing Rules, aggregated for the purpose of determining relevant percentage ratio under Rule 14.07 of the Listing Rules. Based on the total assets of the Company of HK\$47,013.8 million as of 30 June 2015 and the market capitalization of HK\$10,496.5 million as of 28 August 2015, the consideration ratio calculated under Rule 14.07 of the Listing Rules in respect of the Disposal (when aggregated with the Previous Disposal) at the relevant time is above 5% but less than 25%. Therefore, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, which is subject to the reporting and announcement requirements but is exempted 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 Agreement”	the aircraft sale agreement dated 28 August 2015 entered into between Jetstar Hong Kong and the Buyer
“ATLA”	Air Transport Licensing Authority
“Board”	the board of Directors
“BoComm”	Bank of Communications Financial Leasing Co., Ltd. (交銀金融租賃有限責任公司), a company incorporated in the People’s Republic of China
“Buyer”	Jin Shan 8 Ireland Company Limited, a wholly-owned subsidiary of BoComm
“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

“Disposal”	the sale of one Airbus A320-232 aircraft under the Aircraft Sale Agreement
“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
“Previous Disposal”	The sale of two Airbus A320-200 aircrafts under the aircraft sale agreement entered into between Jetstar Hong Kong and two wholly-owned subsidiaries of BoComm dated 22 August 2014 where their respective completion was within a 12-month period before the completion of the Disposal, details of which are set out in the announcement of the Company dated 26 September 2014
“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, 28 August 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 Director is Mrs. Louise Mok; and the independent non-executive Directors are Mr. Norman Ho, Mr. Charles Ho and Mr. Michael Ng.