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信德集團



SHUN TAK HOLDINGS

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>

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
IN RELATION TO PROVISION OF
FINANCIAL ASSISTANCE
TO AN ASSOCIATE**

PROVISION OF THE RENEWED CORPORATE GUARANTEE

On 15 February 2024, the Company agreed to provide the Renewed Corporate Guarantee in favour of China CITIC Bank for up to 50% of the principal amount of the Renewed Facility granted to STCT (i.e. HK\$200 million) plus related interests and other costs.

LISTING RULES IMPLICATIONS

The Company has committed to provide unsecured shareholders' loans to STCT, in proportion to its shareholding interests in STCT, of an aggregate amount of up to HK\$250.5 million. As at the date of this announcement, the Outstanding Shareholders' Loans amounted to approximately HK\$215.5 million.

As the Renewed Corporate Guarantee and the Total Shareholders' Loans Commitment (including the Outstanding Shareholders' Loans) are financial assistance provided to or committed to be provided to STCT by the Company within a 12-month period or otherwise related, they are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) exceeds 5% but all are less than 25%, the provision of the Renewed Corporate Guarantee, when aggregated with the Total Shareholders' Loans Commitment, constitutes a discloseable transaction for the Company, and is therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

Reference is made to the Announcement relating to, among others, the Company's commitment to provide additional shareholders' loans to STCT.

PROVISION OF THE RENEWED CORPORATE GUARANTEE

On 15 February 2024, the Renewed Facility Agreement was entered into between STCT (as borrower), China CITIC Bank (as lender), and the Company and CTII (as guarantors on a several basis), pursuant to which China CITIC Bank agreed to grant a revolving loan facility of HK\$400 million to STCT for a term of one year, at the interest rate of HIBOR plus a margin of 1.0% per annum. The Renewed Facility is used for refinancing an existing facility provided by China CITIC Bank which would expire in February 2024.

Pursuant to the terms of the Renewed Facility, STCT undertook to ensure that each of its two shareholders (including the Company) shall (i) hold (directly or indirectly) 50% of the equity interests in STCT; and (ii) remain to be listed on the Main Board of the Stock Exchange.

The Company agreed to provide the Renewed Corporate Guarantee in favour of China CITIC Bank, in proportion to its shareholding interests in STCT, for up to 50% of the principal amount of the Renewed Facility (i.e. HK\$200 million) plus related interests and other costs.

TOTAL SHAREHOLDERS' LOANS COMMITMENT

The Company has committed to provide unsecured shareholders' loans to STCT, in proportion to its shareholding interests in STCT, of an aggregate amount of up to HK\$250.5 million. As at the date of this announcement, the Outstanding Shareholders' Loans amounted to approximately HK\$215.5 million.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE RENEWED CORPORATE GUARANTEE

STCT is principally engaged in the provision of cross boundary transportation services in the Greater Pearl River Delta Region. Its cross-border transportation services in the Greater Pearl River Delta Region had been suspended for almost three years as a result of the travel restrictions and quarantine requirements. Services has gradually resumed since early 2023 as the borders between Hong Kong, Macau and Mainland China reopened. The Directors believe that the liquidity to be provided by the Renewed Facility is important for STCT to maintain cashflow for its day to day operation whilst it continues to restore its capacity to the pre-pandemic level.

Taking into consideration the reasons for and benefits of the provision of the Renewed Corporate Guarantee and that they are provided in proportion to its shareholding interests in STCT, the Directors (including the independent non-executive Directors) are of the view that the terms of the Renewed Corporate Guarantee are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. None of the Directors had any material interest in the provision of the Renewed Corporate Guarantee nor was required to abstain from participating in the passing of the relevant resolutions.

LISTING RULES IMPLICATIONS

As the Renewed Corporate Guarantee and the Total Shareholders' Loans Commitment (including the Outstanding Shareholders' Loans) are financial assistance provided to or committed to be provided to STCT by the Company within a 12-month period or otherwise related, they are required to be aggregated pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) exceeds 5% but all are less than 25%, the provision of the Renewed Corporate Guarantee, when aggregated with the Total Shareholders' Loans Commitment, constitutes a discloseable transaction for the Company, and is therefore subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

GENERAL INFORMATION OF THE PARTIES

The Company

The Company is an investment holding company and the Group is engaged in a number of business activities including property development, investment and management, hospitality, transportation and investments.

STCT and its shareholders

STCT is a company incorporated in the BVI with limited liability and, together with its subsidiaries, is engaged in the provision of cross boundary transportation services in the Greater Pearl River Delta Region. As at the date of this announcement, STCT is held as to 50% by the Company and 50% by CTII, which is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 308). CTII and its subsidiaries are principally engaged in the operations of travel destinations, travel documents and related operations, as well as passenger transportation operations.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, CTII and its ultimate controlling shareholders are Independent Third Parties of the Company.

China CITIC Bank

China CITIC Bank is an indirect non-wholly-owned subsidiary of China CITIC Bank Corporation Limited, which in turn is a joint stock commercial bank incorporated under the laws of the People's Republic of China with limited liability whose A shares and H shares are listed on the Shanghai Stock Exchange (Stock Code: 601998) and the Main Board of the Stock Exchange (Stock Code: 998), respectively.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, China CITIC Bank and its ultimate controlling shareholders are Independent Third Parties of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Announcement”	the announcement of the Company dated 15 December 2022 relating to the Outstanding Shareholders’ Loans and the corporate guarantee provided by the Company in connection with a facility provided by China CITIC Bank
“BVI”	the British Virgin Islands
“China CITIC Bank”	China CITIC Bank International Limited (中信銀行(國際)有限公司)

“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)
“CTII”	China Travel International Investment Hong Kong Limited (香港中旅國際投資有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 308)
“Director(s)”	the director(s), including independent non-executive director(s), of the Company
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	independent third party(ies) not connected with the Company or its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Outstanding Shareholders’ Loans”	the outstanding unsecured shareholders’ loans provided by the Company to STCT as at the date of this announcement, details of which are set out in the Announcement
“Renewed Corporate Guarantee”	the guarantee and indemnity provided by the Company in favour of China CITIC Bank for up to 50% of the principal amount plus related interests and other costs under the Renewed Facility
“Renewed Facility”	the HK\$400 million revolving loan provided by China CITIC Bank to STCT on the terms and conditions of the Renewed Facility Agreement
“Renewed Facility Agreement”	the facility agreement dated 15 February 2024 entered into between STCT, China CITIC Bank, the Company and CTII in respect of the Renewed Facility

“STCT”	Shun Tak – China Travel Shipping Investments Limited, a company incorporated in the BVI with limited liability, which is held as to 50% by the Company and 50% by CTII, respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Shareholders’ Loans Commitment”	the Company’s total commitment of providing shareholders’ loans of up to HK\$250.5 million to STCT in proportion to its shareholding interests in STCT
“%”	percent

In this announcement, unless the context otherwise requires, the terms “connected person(s)” and “subsidiary(ies)” shall have the meanings given to such terms in the Listing Rules, as modified by the Stock Exchange from time to time.

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

Hong Kong, 15 February 2024

As at the date of this announcement, the executive Directors of the Company are Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, Mr. David Shum and Mr. Rogier Verhoeven; and the independent non-executive Directors are Mr. Norman Ho, Mr. Charles Ho, Mr. Michael Wu and Mr. Kevin Yip.