

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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**

#### **(1) VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTION**

- **Proposed acquisition of 100% of the issued share capital of Nomusa Limited, 50% of the issued share capital of Nova City Property Management Limited and 50% of the issued share capital of Nova Taipa Gardens Property Management Limited**

#### **(2) MAJOR AND CONNECTED TRANSACTION**

- **Proposed acquisition of 100% of the issued share capital of Fast Shift Investments Limited**

**AND**

#### **(3) RESUMPTION OF TRADING**

**Financial adviser to the Company**



#### **The Acquisitions**

The Directors are pleased to announce that the Purchaser (an indirect wholly owned subsidiary of the Company) (as buyer) has (a) on 25 June 2007 entered into the HHL Agreement with HPL (as seller), HHL (as guarantor of HPL) and the Company (as guarantor of the Purchaser) for the acquisition of the HHL-Nomusa Sale Share, the HHL-NCPM Sale Share and the HHL-NTGPM Sale Share, and (b) on 26 June 2007 entered into the STDM Agreement with Rapid Success (as seller), STDM (as guarantor of Rapid Success) and the Company (as guarantor of the Purchaser) for the acquisition of the STDM-Fast Shift Sale Share and the STDM-Fast Shift Loans. Nomusa is an investment holding company and its principal assets consist of a 50% equity interest in NTU and the Nomusa-NTU Loans. Fast Shift is an investment holding company and its principal assets consist of a 25% equity interest in NTU and Fast Shift-NTU Loans.

Pursuant to the HHL Agreement, the Purchaser has conditionally agreed to acquire the HHL-Nomusa Sale Share, the HHL-NCPM Sale Share and the HHL-NTGPM Sale Share for a total consideration of HK\$4,580 million in cash. Pursuant to the STDM Agreement, the Purchaser has conditionally agreed to acquire the STDM-Fast Shift Sale Share and the STDM-Fast Shift Loans for a total consideration of HK\$2,290 million in cash.

The principal asset of NTU is the Development located at the northern part of Taipa, Macau now known as Nova Taipa Gardens and Nova City. NTGPM and NCPM are the property management companies for Nova Taipa Gardens and Nova City respectively.

The HHL Consideration and STDM Consideration were determined following commercial negotiation between the parties concerned at arm's length basis and with reference to (a) the preliminary valuation of the unsold properties and undeveloped land held by NTU of approximately HK\$7,391 million as at 23 June 2007 based on the direct comparison method prepared by an independent property appraiser appointed by the Company, (b) the earnings potential of NTU, (c) the future prospect of the Macau property market, (d) the general market conditions, and (e) the financial position of Nomusa and NTU with NTU comprising of, among other things, the following assets:

- (i) accounts receivable and cash received from residential units and carpark spaces in Nova City I, II and III sold;
- (ii) approximately 237 unsold residential units (with available marketable gross floor area of approximately 371,000 square feet) and 860 unsold carpark spaces in Nova City I, II and III;
- (iii) approximately 50,000 square feet of commercial area in the Development held for leasing; and
- (iv) approximately 3.88 million square feet of marketable retail and residential area and approximately 2,100 carpark spaces in Nova City IV and V to be developed.

The considerations will be satisfied in full by the Purchaser in cash from internal resources and bank financing.

As at the date of this announcement, the Company indirectly owned 25% of the issued share capital of NTU and 50% of the respective issued share capital of NCPM and NTGPM. Upon Completion, each of NTU, NCPM and NTGPM will become an indirect wholly owned subsidiary of the Company and its financials will be fully consolidated into the Group.

### **Implications under the Listing Rules**

The HHL Acquisitions constitute a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and a connected transaction for the Company under Chapter 14A of the Listing Rules by virtue of STDM's 25% equity interest in NTU. Accordingly, it is subject to the approval of the Independent Shareholders at the EGM to be conducted by way of poll. HHL and its associates will abstain from voting in respect of the HHL Agreement at the EGM.

The STDM Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. As at the date of this announcement, STDM owned approximately 12.08% of the issued share capital of the Company and, accordingly, is a connected person of the Company. As such, the STDM Acquisition also constitutes a connected transaction for the Company under Chapters 14 and 14A of the Listing Rules and is therefore subject to the approval of the Independent Shareholders at the EGM to be conducted by way of poll. STDM and its associates will abstain from voting in respect of the STDM Agreement at the EGM.

## **General**

The Company is a holding company of a number of business activities principally consisting of transportation, property, hospitality and investment businesses.

NTU brings to the Group a unique portfolio of prime properties in Taipa, Macau. For the financial year ended 31 December 2006, the Company recognised a profit of approximately HK\$328 million from the completion of Nova City I. The pre-sale of Nova City II and III in May 2006 and December 2006 respectively was extremely well received. Nova City IV and V, with additional features such as the largest shopping mall in Taipa, are currently being planned. The Group has a prominent and successful track record in the property markets in Macau and Hong Kong and the Acquisitions will allow the Group to further consolidate the Company's market position as a leading developer. The Directors believe these Acquisitions will provide an excellent opportunity for the Group to further strengthen its interest in the Development.

The Directors (including the independent non-executive Directors) are of the view that the Acquisitions are (a) in the ordinary and usual course of business of the Company; (b) on normal commercial terms; (c) on terms that are fair and reasonable; and (d) in the interests of the Company and its Shareholders as a whole. The Directors also believe that the Development will complement and enhance the Group's property development business in Macau.

The Independent Board Committee will be established to advise the Independent Shareholders in respect of the Acquisitions. An independent financial adviser will be appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things: (a) further information on the Acquisitions; (b) valuation report to be issued by an independent appraiser on the fair value of the Development; (c) the recommendation and opinion of the Independent Board Committee in relation to the Acquisitions; (d) the recommendation and opinion of the Company's independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisitions; and (e) a notice of the EGM will be despatched to the Shareholders as soon as practicable.

The transactions contemplated under the HHL Agreement and STDM Agreement respectively are independent of each other. As the Acquisitions are subject to the approval of Independent Shareholders, either of the Acquisition may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

## **Resumption of trading**

At the request of the Company, the Shares have been suspended from trading on the Stock Exchange on 26 June 2007 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares from 2:30 p.m. on 27 June 2007.

## **1. HHL AGREEMENT DATED 25 JUNE 2007**

### **Parties**

Buyer: the Purchaser and/or its nominee(s)

Seller: HPL, a wholly owned subsidiary of HHL

Guarantors: (a) HHL, as guarantor of HPL to guarantee the performance by HPL of its obligations under the HHL Agreement; and  
(b) the Company, as guarantor of the Purchaser to guarantee the performance by the Purchaser of its obligations under the HHL Agreement

### **Assets to be acquired**

- (a) The HHL-Nomusa Sale Share, representing 100% of the issued share capital of Nomusa as at the date of this announcement and as at Completion. The principal assets of Nomusa consist of a 50% equity interest in NTU and the Nomusa-NTU Loans.
- (b) The HHL-NCPM Sale Share, representing 50% of the issued share capital of NCPM as at the date of this announcement and as at Completion.
- (c) The HHL-NTGPM Sale Share, representing 50% of the issued share capital of NTGPM as at the date of this announcement and as at Completion.

Pursuant to the HHL Agreement, HPL will procure HPMCL to sell the HHL-NCPM Sale Share and the HHL-NTGPM Sale Share to the Purchaser.

Please refer to the section headed "Information on Nomusa, NTU, NCPM and NTGPM" below for further details of these three companies.

### **Consideration**

HK\$4,580 million in aggregate and shall be apportioned:

- (a) as to HK\$12,500, as consideration for the HHL-NCPM Sale Share;
- (b) as to HK\$5,000, as consideration for the HHL-NTGPM Sale Share; and
- (c) as to the balance of approximately HK\$4,580 million, as consideration for the HHL-Nomusa Sale Share.

The HHL Consideration was determined following commercial negotiations between the parties at arm's length basis and with reference to various factors including, but not limited to, (a) the preliminary valuation of the unsold properties and undeveloped land held by NTU of approximately HK\$7,391 million as at 23 June 2007 based on the direct comparison method prepared by an independent property appraiser appointed by the Company, (b) the earnings potential of NTU, (c) the future prospect of the Macau property market, (d) the general market conditions, and (e) the financial position of Nomusa and NTU with NTU comprising of, among other things, the following assets:

- (i) accounts receivable and cash received from residential units and carpark spaces in Nova City I, II and III sold;
- (ii) approximately 237 unsold residential units (with available marketable gross floor area of approximately 371,000 square feet) and 860 unsold carpark spaces in Nova City I, II and III;
- (iii) approximately 50,000 square feet of commercial area in the Development held for leasing; and

- (iv) approximately 3.88 million square feet of marketable retail and residential area and approximately 2,100 carpark spaces in Nova City IV and V to be developed.

The HHL Consideration is determined on the same basis as the STDM Consideration.

The HHL Consideration will be settled in full by the Purchaser in cash from internal resources and bank financing.

### **Payment terms**

The HHL Consideration shall be payable by the Purchaser to HPL or HPMCL (as the case may be) in the following manner:

- (a) HK\$458 million as initial deposit within two Business Days after the date of the HHL Agreement; and
- (b) the balance of HK\$4,122 million upon Completion.

### **Conditions precedent**

Completion of the HHL Agreement is conditional upon the following conditions having been fulfilled in accordance with the HHL Agreement on or before 25 September 2007:

- (a) the shareholders of HHL passing at an extraordinary general meeting of HHL of ordinary resolution(s) approving the HHL Agreement and the transactions contemplated by the HHL Agreement if so required under the Listing Rules; and
- (b) the Independent Shareholders passing at the EGM of ordinary resolution(s) approving the HHL Agreement and the transactions contemplated by the HHL Agreement as may required under the Listing Rules.

If the conditions of the HHL Agreement are not fulfilled on or before 25 September 2007 (or such other date as may be agreed between the parties to the HHL Agreement), the HHL Acquisitions will lapse and HPL or HPMCL (as the case may be) shall within five Business Days refund to the Purchaser the initial deposit with interest accrued thereon.

### **Completion**

Completion of the HHL Agreement will take place on the seventh Business Day after the date of fulfilment of the last of the conditions (or such other date as may be agreed between the parties to the HHL Agreement).

## **2. STDM AGREEMENT DATED 26 JUNE 2007**

### **Parties**

Buyer: the Purchaser or its nominee

Seller: Rapid Success, a wholly owned subsidiary of STDM

Guarantors: (a) STDM, as guarantor of Rapid Success to guarantee the performance by Rapid Success of its obligations under the STDM Agreement; and

- (b) the Company, as guarantor of the Purchaser to guarantee the performance by the Purchaser of its obligations under the STDM Agreement

### **Assets to be acquired**

The STDM-Fast Shift Sale Share, representing 100% of the issued share capital of Fast Shift as at the date of this announcement and as at Completion and the STDM-Fast Shift Loans. The principal assets of Fast Shift consist of a 25% equity interest in NTU and Fast Shift-NTU Loans. Please refer to the section headed "Information on Nomusa, Fast Shift, NTU, NCPM and NTGPM" below for further details of NTU.

### **Consideration**

HK\$2,290 million (including the STDM-Fast Shift Loans as at Completion). The STDM Consideration was determined following commercial negotiation between the parties at arm's length basis and with reference to (a) the preliminary valuation of the unsold properties and undeveloped land held by NTU of approximately HK\$7,391 million as at 23 June 2007 based on the direct comparison method prepared by an independent property appraiser appointed by the Company, (b) the earnings potential of NTU, (c) the future prospect of the Macau property market, (d) the general market conditions, and (e) the financial position of Nomusa and NTU with NTU comprising of, among other things, the following assets:

- (i) accounts receivable and cash received from residential units and carpark spaces in Nova City I, II and III sold;
- (ii) approximately 237 unsold residential units (with available marketable gross floor area of approximately 371,000 square feet) and 860 unsold carpark spaces in Nova City I, II and III;
- (iii) approximately 50,000 square feet of commercial area in the Development held for leasing; and
- (iv) approximately 3.88 million square feet of marketable retail and residential area and approximately 2,100 carpark spaces in Nova City IV and V to be developed.

The STDM Consideration is determined on the same basis as the HHL Consideration.

The STDM Consideration will be settled in full by the Purchaser in cash from internal resources and bank financing.

### **Payment terms**

The STDM Consideration shall be payable by the Purchaser to STDM in the following manner:

- (a) HK\$229 million as initial deposit within two Business Days after the date of the STDM Agreement; and
- (b) the balance of HK\$2,061 million upon Completion.

### **Conditions precedent**

Completion of the STDM Agreement is conditional upon the following conditions having been fulfilled or waived in accordance with the STDM Agreement on or before 25 September 2007:

- (a) the Independent Shareholders passing at the EGM of ordinary resolution(s) approving the STDM Agreement and the transactions contemplated by the STDM Agreement as may required under the Listing Rules: and
- (b) the shareholders of STDM passing at an extraordinary general meeting of STDM of ordinary resolution(s) approving the STDM Agreement and the transactions contemplated by the STDM Agreement.

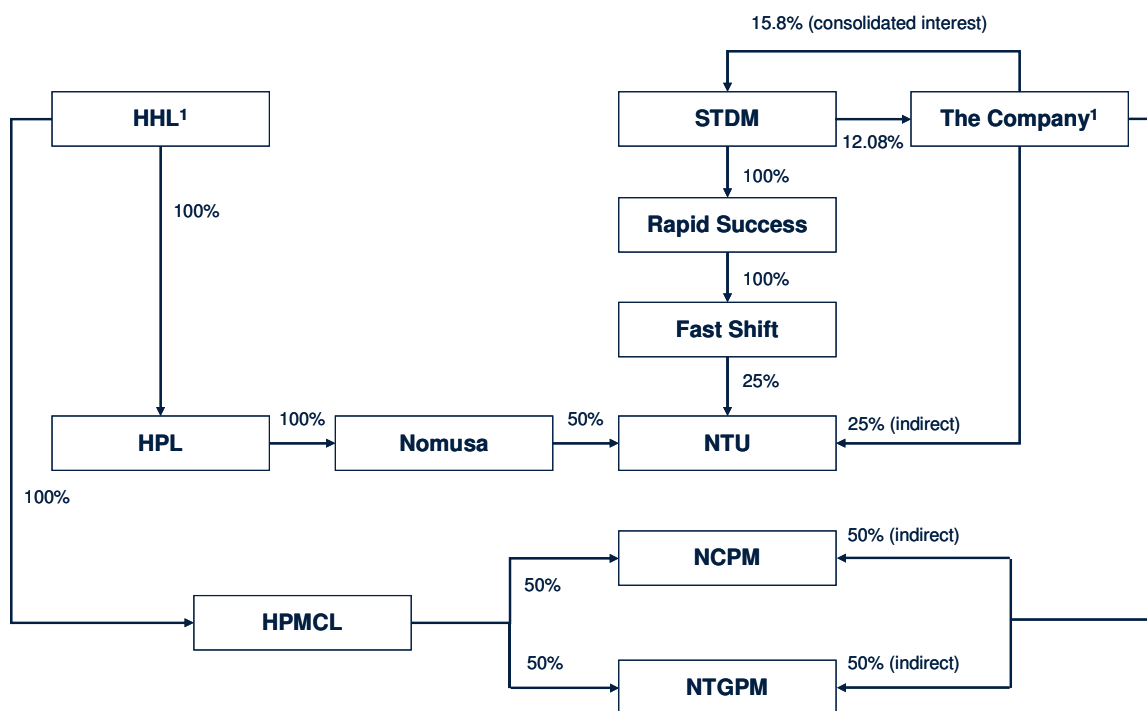
If the conditions of the STDM Agreement are not fulfilled on or before 25 September 2007 (or such other date as the Purchaser may extend but in any event not later than 25 March 2008), the STDM Acquisition will lapse and STDM shall within five Business Days refund to the Purchaser the initial deposit with interest accrued thereon.

### Completion

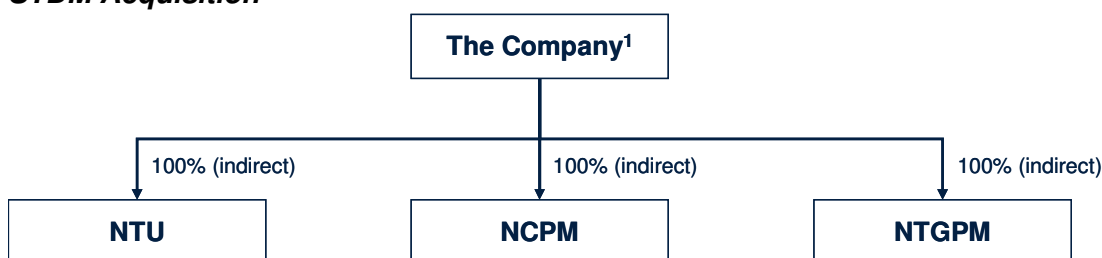
Completion of the STDM Agreement will take place on the seventh Business Day after the date of fulfilment of the last of the conditions (or such other date as the Purchaser may extend but in any event not later than 25 March 2008).

### 3. SIMPLIFIED SHAREHOLDING STRUCTURE

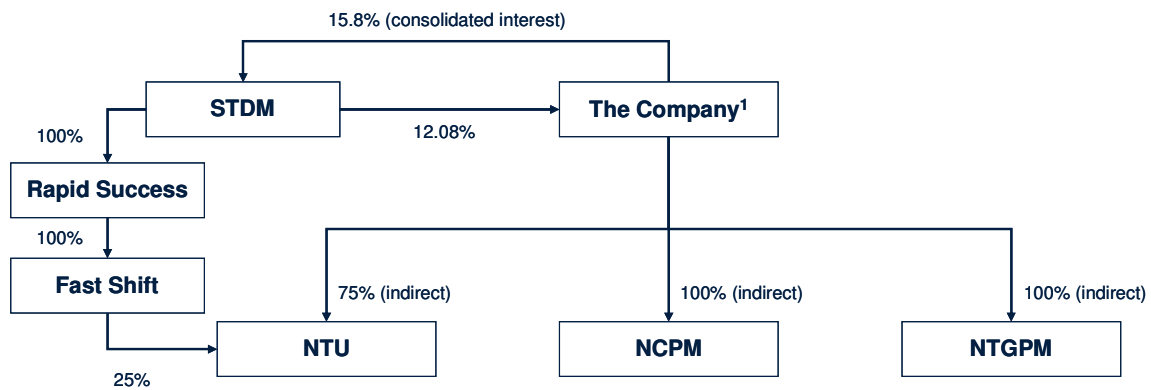
*As at the date of this announcement*



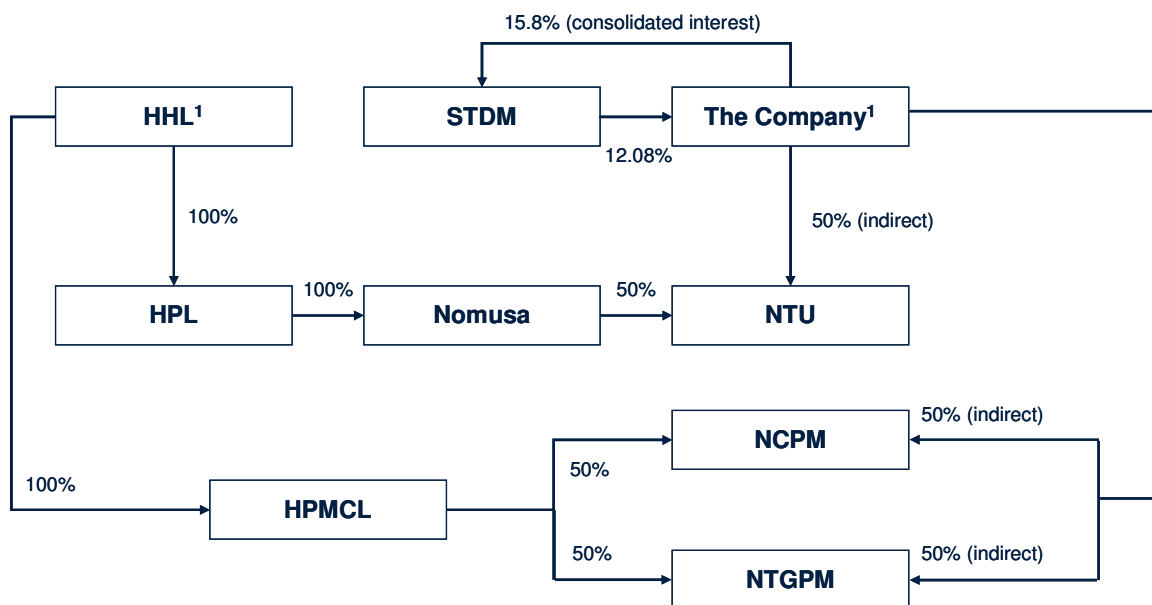
***Effective shareholding immediately after Completion of the HHL Acquisitions and the STDM Acquisition***



**Effective shareholding immediately after completion of the HHL Acquisitions (and assuming the STDM Acquisition will not complete)**



**Effective shareholding immediately after completion of the STDM Acquisition (and assuming the HHL Acquisitions will not complete)**



Note 1: Listed on the main board of the Stock Exchange.

**4. INFORMATION ON HHL, HPL AND HPMCL**

HHL is a company incorporated in Hong Kong with limited liability whose shares are listed on the main board of the Stock Exchange. The HHL Group is principally engaged in the development, investment and operation of properties and hotels and infrastructure projects in Hong Kong and other parts of the PRC.

As at the date of this announcement, HPL (a wholly owned subsidiary of HHL) owned 100% of the issued share capital of Nomusa which in turn owned 50% of the issued share capital of NTU. HPL is an investment holding company.

As at the date of this announcement, HPMCL (a wholly owned subsidiary of HHL) owned 50% of the respective issued share capital of NCPM and NTGPM. HPMCL is engaged in the management of buildings and carparks.

Each of HHL, HPL and HPMCL is an independent third party not connected to any of the Directors, chief executives or substantial Shareholders of the Company or its subsidiaries or associates of any of them.

## 5. INFORMATION ON STDM AND RAPID SUCCESS

STDM is a company incorporated in Macau. Its diverse business interests include gaming, entertainment, leisure, sports and tourism, predominantly in Macau. STDM is one of the few companies licensed by the Macau Government to operate casinos in Macau and has been driving Macau's dynamic economic development for decades. The Group had a 15.8% consolidated interest in STDM as at the date of this announcement. In respect of the STDM-Fast Shift Sale Share, STDM contributed MOP2.5 million (equivalent to approximately HK\$2.5 million) upon formation of NTU in 1988.

As at the date of this announcement, Rapid Success (a wholly owned subsidiary of STDM) owned 100% of the issued share capital of Fast Shift which in turn owned 25% of the issued share capital of NTU. Rapid Success is an investment holding company.

## 6. INFORMATION ON NOMUSA, FAST SHIFT, NTU, NCPM AND NTGPM

Nomusa is an investment holding company incorporated in the British Virgin Islands and its principal assets consist of a 50% equity interest in NTU and the Nomusa-NTU Loans.

The following table sets out a summary of the audited financial results of Nomusa prepared in accordance with HKFRSs for the two years ended 30 June 2005 and 2006:

	<b>For the year ended 30 June 2005</b> <i>(HK\$'000)</i> <i>(audited)</i>	<b>For the year ended 30 June 2006</b> <i>(HK\$'000)</i> <i>(audited)</i>
Net profit before tax	29,850	31,652
Net profit after tax	26,027	27,482
		<b>As at 30 June 2006</b> <i>(HK\$'000)</i> <i>(audited)</i>
Net asset value		92,543

The accounts of the companies in the HHL Group are consolidated at the HHL holding level. As such, and in accordance with generally accepted accounting principles, Nomusa, being an intermediary company in the HHL Group, is not required to consolidate or equity account for its holding of 50% equity interest in NTU. Currently, Nomusa's investment in 50% equity interest in NTU is stated at cost and is recognised as a jointly controlled entity. Interest from NTU is recognised on a time basis by reference to the principal outstanding and at the interest rate applicable. Dividends from NTU are recognised when Nomusa's rights to receive payment have been established.

Fast Shift is a company incorporated in the British Virgin Islands on 29 May 2007. Fast Shift has no business operation other than its holding of 25% equity interest in NTU and Fast Shift-NTU Loans.

NTU is a company incorporated in Macau. It is a property development company and its principal asset is the Development located at the northern part of Taipa, Macau. The Development has two main parts, namely Nova Taipa Gardens and Nova City and is able to provide a maximum marketable gross floor area of approximately 10.1 million square feet of retail and residential spaces.

Nova Taipa Gardens is a residential project completed in 1997. All of the residential units and carpark spaces are sold and approximately 37,000 square feet of commercial area are retained by NTU as investment properties. Nova Taipa Gardens is managed by NTGPM.

Nova City is a one of the largest luxurious residential developments (with marketable gross floor area of approximately 7 million square feet) in Macau. Nova City is currently being developed in five phases. Pre-sale of Nova City I, II and III commenced by stages since 2005 and have been well received by the market. As at the date of this announcement, construction for Nova City I and II has been completed and hand-over of units to purchasers has commenced in September 2006 for Nova City I and June 2007 for Nova City II. Superstructure works for Nova City III commenced in 2006 with completion scheduled for 2008. NTU is currently planning for Nova City IV and V which will comprise residential units, a large shopping mall (which is expected to be the largest in Taipa on completion) and approximately 2,100 carpark spaces. Nova City I, II and III will comprise, at completion, 13 high-rise towers with a total of 1,932 units (with marketable gross floor area of approximately 3.1 million square feet), a clubhouse and podium garden spanning a combined gross floor area of approximately 214,000 square feet and approximately 13,000 square feet of commercial area. Of the 1,932 residential units in Nova City I, II and III, approximately 237 residential units with marketable gross floor area of approximately 371,000 square feet are unsold.

The following table sets out a summary of the audited financial results of NTU prepared in accordance with HKFRSs for the two years ended 31 December 2005 and 2006:

	<b>For the year ended 31 December 2005</b>	<b>For the year ended 31 December 2006</b>
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
	<i>(audited)</i>	<i>(audited)</i>
Net profit/(loss) before tax	(28,252)	1,412,375
Net profit/(loss) after tax	(21,064)	1,242,907
		<b>As at</b>
		<b>31 December 2006</b>
		<i>(HK\$'000)</i>
		<i>(audited)</i>
Net asset value		18,481

NCPM is a company incorporated in Macau. It is the property management company for Nova City. As at the date of this announcement, NCPM was indirectly owned as to 50% by the Company and HHL respectively. Based on the management accounts of NCPM, NCPM recorded a profit before tax of approximately HK\$256,000 and profit after tax of approximately HK\$241,000 for the period from 21 June 2006 (being the date of incorporation) to 31 December 2006. The net asset value of NCPM as at 31 December 2006 was approximately HK\$266,000.

NTGPM is a company incorporated in Macau. It is the property management company for Nova Taipa Gardens. As at the date of this announcement, NTGPM was indirectly owned as to 50% by the Company and HHL respectively. The following table sets out a summary of the audited financial results of NTGPM prepared in accordance with International Financial Reporting Standards for the two years ended 31 December 2005 and 2006:

	<b>For the year ended 31 December 2005</b>	<b>For the year ended 31 December 2006</b>
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
	<i>(audited)</i>	<i>(audited)</i>
Net profit before tax	1,561	1,614
Net profit after tax	1,462	1,438
		<b>As at 31 December 2006</b>
		<i>(HK\$'000)</i>
		<i>(audited)</i>
Net asset value		783

## **7. BACKGROUND TO, AND REASONS FOR, THE ACQUISITIONS**

The Company is a holding company of a number of business activities principally consisting of transportation, property, hospitality and investment businesses.

Macau's dynamic transformation into a regional entertainment and business destination and its growth of the overall economy has resulted in a 23% growth in the gross domestic product in 2006 and unemployment rate has dropped to a record low of 3.2% in the first quarter of 2007. The strong economy, together with the improved affluence of the local residents and the growing leasing demand attributable to the rapidly expanding expatriate community, have stimulated the need for quality housing in prime and convenient locations.

NTU brings to the Group a unique portfolio of prime properties in Taipa, Macau. For the financial year ended 31 December 2006, the Company recognised a profit of approximately HK\$328 million from the completion of Nova City I. The pre-sale of Nova City II and III in May 2006 and December 2006 respectively was extremely well received. Nova City IV and V, with additional features such as the largest shopping mall in Taipa, are currently being planned. The Group has a prominent and successful track record in the property markets in Macau and Hong Kong and the Acquisitions will allow the Group to further consolidate the Company's market position as a leading developer. The Directors believe these Acquisitions will provide an excellent opportunity for the Group to further strengthen its interest in the Development.

Currently, NTU, NCPM and NTGPM are accounted for using the equity method in the consolidated financial statements of the Company. Upon Completion, each of NTU, NCPM and NTGPM will become an indirect wholly owned subsidiary of the Company and its

financials will be fully consolidated into the Group. The Acquisitions would enable the Group to have more flexibility in future development designs and management plans of the Development.

## **8. IMPLICATIONS UNDER THE LISTING RULES**

### ***Very substantial acquisition and connected transaction – the HHL Acquisitions***

The HHL Acquisitions constitute a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and a connected transaction for the Company under Chapter 14A of the Listing Rules by virtue of STDM's 25% equity interest in NTU. Accordingly, it is subject to the approval of the Independent Shareholders at the EGM to be conducted by way of poll. HHL and its associates will abstain from voting in respect of the HHL Agreement at the EGM.

### ***Major and connected transaction – the STDM Acquisition***

The STDM Acquisition constitutes a major acquisition for the Company under Chapter 14 of the Listing Rules. As at the date of this announcement, STDM owned approximately 12.08% of the issued share capital of the Company and, accordingly, is a connected person of the Company. As such, the STDM Acquisition also constitutes a major and connected transaction for the Company under Chapters 14 and 14A of the Listing Rules and is therefore subject to the approval of the Independent Shareholders at the EGM to be conducted by way of poll. STDM and its associates will abstain from voting in respect of the STDM Agreement at the EGM.

## **9. GENERAL**

The Directors (including the independent non-executive Directors) are of the view that the Acquisitions is (a) in the ordinary and usual course of business of the Company; (b) on normal commercial terms; (c) on terms that are fair and reasonable; and (d) in the interests of the Company and its Shareholders as a whole. The Directors also believe that the development will complement and enhance the Group's property development business in Macau.

N M Rothschild & Sons (Hong Kong) Limited has been appointed as financial adviser to the Company in relation to the Acquisitions.

The Independent Board Committee will be established to advise the Independent Shareholders in respect of the Acquisitions. An independent financial adviser will be appointed to make recommendations to the Independent Board Committee and the Independent Shareholders in this regard.

The Acquisitions are conditional on, among other things, the approval by the Independent Shareholders at the EGM by way of poll. A circular containing, among other things: (a) further information on the Acquisitions; (b) valuation report to be issued by an independent appraiser on the fair value of the Development; (c) the recommendation and opinion of the Independent Board Committee in relation to the Acquisitions; (d) the recommendation and opinion of the Company's independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Acquisitions; and (e) a notice of the EGM will be despatched to the Shareholders as soon as practicable.

The transactions contemplated under the HHL Agreement and STDM Agreement respectively are independent of each other. As the Acquisitions are subject to the approval of Independent Shareholders, either of the Acquisition may or may not be completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

## 10. RESUMPTION OF TRADING

At the request of the Company, the Shares have been suspended from trading on the Stock Exchange on 26 June 2007 pending the release of this announcement. Application has been made by the Company for resumption of trading in the Shares from 2:30 p.m. on 27 June 2007.

## 11. DEFINITIONS

“Acquisitions”	the HHL Acquisitions and the STDM Acquisition
“Business Day”	a day on which licensed banks in Hong Kong and Macau are generally open for business (other than a Saturday, a Sunday or a public holiday)
“Company”	Shun Tak Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“Completion”	completion of the HHL Acquisitions and/or the STDM Acquisition (as the case may be)
“Conditions”	Conditions precedent to Completion as set out in the HHL Agreement and STDM Agreement and summarised in the sections headed “Conditions precedent” under the HHL Agreement and STDM Agreement in this announcement
“Development”	a mixed used development erected or to be erected on various land parcels at Taipa, Macau now known as Nova Taipa Gardens and Nova City I, II, III, IV and V
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Shareholders to be convened by the Company for purpose of considering and, if thought fit, approving the Acquisitions
“Fast Shift”	Fast Shift Investments Limited, a company incorporated in the British Virgin Islands and an indirect wholly owned subsidiary of STDM as at the date of this announcement
“Fast Shift -NTU Loans”	the aggregate amount of the loans (including principal and outstanding interest accrued but unpaid) owed by NTU to Fast Shift and outstanding from time to time
“Group”	the Company and its subsidiaries

“HHL”	Hopewell Holdings Limited, a company incorporated in Hong Kong with limited liabilities, the shares of which are listed on the Stock Exchange
“HHL Acquisitions”	the proposed acquisition of the HHL-Nomusa Sale Share, the HHL-NCPM Sale Share and the HHL-NTGPM Sale Share by the Purchaser from HPL in accordance with the terms and conditions as set out in the HHL Agreement
“HHL Agreement”	the conditional agreement for the sale and purchase of the HHL-Nomusa Sale Share, the HHL-NCPM Sale Share and the HHL-NTGPM Sale Share dated 25 June 2007 entered into between the Purchaser (as buyer), HPL (as seller), HHL (as guarantor of HPL) and the Company (as guarantor of the Purchaser)
“HHL Consideration”	the aggregate consideration for the HHL Acquisitions
“HHL Group”	HHL and its subsidiaries
“HHL-NCPM Sale Share”	one share of MOP12,500 in NCPM, representing 50% of the issued share capital of NCPM as at the date of this announcement and as at Completion
“HHL-Nomusa Sale Share”	one share of US\$1 in Nomusa, representing the entire issued share capital of Nomusa as at the date of this announcement and as at Completion
“HHL-NTGPM Sale Share”	one share of MOP5,000 in NTGPM, representing 50% of the issued share capital of NTGPM as at the date of this announcement and as at Completion
“HKFRSs”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HPL”	Hopewell Properties (B.V.I.) Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of HHL
“HPMCL”	Hopewell Property Management Company Limited, a company incorporated in Hong Kong, a wholly owned subsidiary of HHL
“Independent Board Committee”	the independent committee of the Directors to be established to advise the Independent Shareholders in respect of the Acquisitions
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM approving the respective Acquisitions under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Macau”	the Macau Special Administrative Region of the PRC
“NCPM”	Nova City Property Management Limited, a company incorporated in Macau and indirectly owned as to 50% by the Company and 50% by HHL as at the date of this announcement
“Nomusa”	Nomusa Limited, a company incorporated in the British Virgin Islands and an indirect wholly owned subsidiary of HHL as at the date of this announcement
“Nomusa-NTU Loans”	the aggregate amount of the loans (including principal and outstanding interest accrued but unpaid) owed by NTU to Nomusa and outstanding from time to time
“NTGPM”	Nova Taipa Gardens Property Management Limited, a company incorporated in Macau and indirectly owned as to 50% by the Company and 50% by HHL as at the date of this announcement
“NTU”	New Taipa-Urbanizations Limited (Portuguese name: Nova Taipa-Urbanizacoes, Limitada), a company incorporated in Macau and indirectly owned as to 25% by the Company, 25% by STDM and 50% by HHL as at the date of this announcement
“PRC”	the People’s Republic of China
“Purchaser”	Ace Wonder Limited, a company incorporated in the British Virgin Islands and an indirect wholly owned subsidiary of the Company
“Rapid Success”	Rapid Success Investments Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of STDM as at the date of this announcement
“Shares”	shares of HK\$0.25 each in the capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“STDM”	Sociedade de Turismo e Diversões de Macau, S.A., a company incorporated in Macau, a substantial Shareholder
“STDM Acquisition”	the proposed acquisition of the STDM-Fast Shift Sale Share and the STDM-Fast Shift Loans by the Purchaser or its nominee from Rapid Success in accordance with the terms and conditions as set out in the STDM Agreement
“STDM Agreement”	the conditional agreement for the sale and purchase of the STDM-Fast Shift Sale Share and the STDM-Fast Shift Loans dated 26 June 2007 entered into between the Purchaser (as buyer), Rapid Success (as seller), STDM (as guarantor of Rapid Success) and the Company (as guarantor of the Purchaser)

“STDM Consideration”	the consideration for the STDM Acquisition
“STDM–Fast Shift Loans”	the aggregate amount of the loans (including principal and outstanding interest accrued but unpaid) owed by Fast Shift to Rapid Success and outstanding from time to time
“STDM-Fast Shift Sale Share”	one share of US\$1 in Fast Shift, representing the entire issued share capital of Fast Shift as at the date of this announcement and as at Completion
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong.
“MOP”	Patacas, the lawful currency of Macau

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

Hong Kong, 26 June 2007

*As at the date of this announcement, the executive Directors of the Company are Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho, Dr. Ambrose So, Mr. Patrick Huen, Mr. Anthony Chan, Ms. Maisy Ho and Mr. David Shum; 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. Yeh V-Nee.*