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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>

**CONNECTED TRANSACTIONS  
IN RELATION TO THE ACQUISITIONS OF  
TWO PASSENGER VESSELS FROM NWFF**

On 6 August 2008, Wealth Trump and Sunrise Field, both indirect non-wholly owned subsidiaries of the Company, entered into the First SPA and the Second SPA with NWFF respectively, whereby Wealth Trump and Sunrise Field have respectively agreed to acquire and NWFF has agreed to sell the Vessels at a cash consideration of HK\$147.4 million per Vessel.

The total consideration for the Vessels is HK\$294.8 million and will be financed by the Group's internal resources and/or bank borrowings.

The Vessels are two 47.5-metre long high-speed passenger catamarans being built to identical specifications, each with 418-passenger seating capacity. The Vessels were ordered by the NWFF Group in 2007 from and are being constructed by a shipyard in Australia. Construction is almost finished and the expected date of delivery of the Vessels to the Purchasers is 15 October 2008.

The Acquisitions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. Since the aggregate consideration of the Acquisitions represents more than 0.1% but less than 2.5% of the applicable percentage ratios, the Acquisitions are only subject to the reporting and announcement requirements set out in rules 14A.45 and 14A.47 of the Listing Rules and is exempt from the independent Shareholders' approval requirement. Appropriate disclosures with respect to the SPAs will also be made in the annual report and accounts of the Company in accordance with the Listing Rules.

**THE SPAs**

**The First SPA**

**Date**

6 August 2008

## **Parties**

Purchaser: Wealth Trump (an indirect non-wholly owned subsidiary of the Company)

Vendor: NWFF (a connected person of the Company under the Listing Rules)

Pursuant to the First SPA, Wealth Trump has conditionally agreed to acquire and NWFF has conditionally agreed to sell Vessel-H401 at a cash consideration of HK\$147.4 million.

## **The Second SPA**

**Date** 6 August 2008

## **Parties**

Purchaser: Sunrise Field (an indirect non-wholly owned subsidiary of the Company)

Vendor: NWFF (a connected person of the Company under the Listing Rules)

Pursuant to the Second SPA, Sunrise Field has conditionally agreed to acquire and NWFF has conditionally agreed to sell Vessel-H402 at a cash consideration of HK\$147.4 million.

## **Assets to be acquired**

The Vessels are two 47.5-metre long high-speed passenger catamarans being built to identical specifications, each with 418-passenger seating capacity. The Vessels were ordered by the NWFF Group in 2007 from and are being constructed by a shipyard in Australia. The original total purchase cost of the Vessels to the NWFF Group is approximately AUD35.9 million (equivalent to approximately HK\$220.3 million at the historical exchange rate between AUD and HK\$ that applied to the NWFF Group). Construction is almost finished and the Vessels will be delivered to the Purchasers by NWFF in Hong Kong after being registered with the flag of Hong Kong. The expected delivery date of the Vessels to the Purchasers by NWFF is 15 October 2008.

The Vessels are sold by NWFF free of charters and encumbrances. Upon delivery of the Vessels to the Purchasers, NWFF shall:

- (a) have obtained all requisite licenses, permits, certificates and consents for the operation of the Vessels (including but not limited to those required by the Hong Kong Marine Department for the Vessels being used as passenger vessels between Hong Kong and Macau waters); and
- (b) transfer to the Purchasers all the shipyard's guarantees and warranties in relation to the materials and workmanship provided under the Vessels' respective shipbuilding contract.

## **Consideration**

The consideration for each of Vessels payable by the Purchasers amounts to HK\$147.4 million. The total consideration for the Vessels amounts to HK\$294.8 million.

The purchase consideration will be financed by the Group's internal resources and/or bank borrowings, and was determined following commercial and arm's length negotiations between the parties after taking into account: (a) price quotations obtained by STCTS in the first half of this year on the then proposed acquisition of similar type of vessels with same seating capacity from independent shipyards of not less than approximately US\$21.0 million (equivalent to approximately HK\$163.8 million) per vessel; and (b) the saving of construction lead time of approximately one and a half years by purchasing the Vessels from NWFF.

10% of the purchase consideration shall be paid by the Purchasers to NWFF within seven Banking Days from the date of the SPAs and the balance shall be paid upon completion of the SPAs.

## **Completion of the SPAs**

The SPAs are expected to be completed on 15 October 2008. Upon completion of the SPAs, the Vessels shall be delivered to the Purchasers in Hong Kong.

In the event that any of the Vessels is not ready for delivery to the Purchaser(s) by the Cancelling Date, the respective Purchaser(s) shall have the option of either cancelling the SPA(s) or accepting a later date as the new Cancelling Date as proposed in writing by NWFF.

## **Conditions precedent**

Completion of the SPAs is conditional upon the following conditions having been fulfilled:

- (a) NWFF and any company within the group of companies to which NWFF belong to have obtained all necessary approvals from its respective board of directors and/or shareholders and other relevant authorities and have fulfilled the regulatory requirements to which such companies are subject to; and
- (b) the Purchasers and any company within the group of companies to which the Purchasers belong to have obtained all necessary approvals from its respective board of directors and/or shareholders and other relevant authorities and have fulfilled the regulatory requirements to which such companies are subject to.

The First SPA and the Second SPA are separate agreements and the completion of which is not conditional on each other. In the event that any of the above conditions is not fulfilled on or before the Cancelling Date, the respective acquisition will not proceed to completion and the respective SPA will lapse. Deposits paid by the Purchasers under the SPAs shall be returned by NWFF together with interest earned thereon upon the lapse of the relevant SPAs.

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

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

STCTS is an indirect non-wholly subsidiary of the Company. Together with its subsidiaries, STCTS is a major operator of high-speed passenger ferry services between Hong Kong, Macau and other destinations in the Pearl River Delta. STCTS indirectly owns the entire issued share capital of the Purchasers.

Both Wealth Trump and Sunrise Field are vessel holding companies incorporated in Hong Kong and indirect non-wholly owned subsidiaries of the Company. They have no business operation as at the date of this announcement other than their respective interest in the First SPA and the Second SPA.

NWFF is principally engaged in the provision of passenger ferry services to and from CFT and Macau.

STCTS currently owns a fleet of 31 high-speed passenger vessels serving routes connecting ports in the Pearl River Delta including but not limited to Hong Kong and Macau. Since the Vessels are of higher carrying capacity than most of the existing vessels of STCTS, the Acquisitions are expected to enhance the operational efficiency of STCTS by increasing the carrying capacity of its fleet and improving operating cost efficiency. In addition, the increased overall seating capacity of STCTS's fleet will enable STCTS better equipped to capture new business opportunities that may arise in the future.

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 interest of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, NWFF is an associate (within the meaning of the Listing Rules) of NWD, which is an indirect substantial shareholder of Ranex. NWFF is therefore an associate of a connected person of the Company.

The Acquisitions constitute connected transactions of the Company under Chapter 14A of the Listing Rules. Since the aggregate consideration of the Acquisitions represents more than 0.1% but less than 2.5% of the applicable percentage ratios, the Acquisitions are only subject to the reporting and announcement requirements set out in rules 14A.45 and 14A.47 of the Listing Rules and is exempt from the independent Shareholders' approval requirement. Appropriate disclosures with respect to the SPAs will also be made in the annual report and accounts of the Company in accordance with the Listing Rules.

## **DEFINITIONS**

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

“Acquisitions”	the acquisitions of Vessels pursuant to the SPAs
“Banking Day”	a day on which banks are generally open for business in Hong Kong
“CFT”	China Hong Kong Ferry Terminal located at China Hong Kong City, 22 Canton Road, Kowloon, Hong Kong

“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)
“Cancelling Date”	30 October 2008, being the latest date on which the Vessels shall be delivered to the Purchasers under the SPAs (or such other dates as may be proposed by NWFF and agreed by the Purchasers)
“Director(s)”	the director(s) of the Company
“First SPA”	the conditional agreement for the acquisition of Vessel-H401 dated 6 August 2008 entered into between NWFF (as vendor) and Wealth Trump (as purchaser)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“NWD”	New World Development Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 17)
“NWFF”	New World First Ferry Services (Macau) Limited, a company incorporated in the British Virgin Islands and is indirectly owned as to 50% by NWSH
“NWFF Group”	NWFF and its subsidiaries
“NWSH”	NWS Holdings Limited, a company incorporated in Bermuda with limited liability, a subsidiary of NWD and the shares of which are listed on the Stock Exchange (Stock Code: 659)
“PRC”	the People’s Republic of China
“Purchaser(s)”	Wealth Trump and Sunrise Field, or any of them
“Ranex”	Ranex Investments Limited, the developer of The Belcher’s, a residential development project in Pokfulam, Hong Kong, which is indirectly owned as to 51% by the Company and 10% by NWD as at the date of this announcement

“Second SPA”	the conditional agreement for the acquisition of Vessel-H402 dated 6 August 2008 entered into between NWFF (as vendor) and Sunrise Field (as purchaser)
“Shares”	shares of HK\$0.25 each in the capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“SPA(s)”	the First SPA and the Second SPA, or any of them
“STCTS”	Shun Tak-China Travel Shipping Investments Limited, a company incorporated in the British Virgin Islands and an indirect non-wholly subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sunrise Field”	Sunrise Field Limited, a company incorporated in Hong Kong and an indirect non-wholly owned subsidiary of the Company
“Vessel(s)”	Vessel-H401 and Vessel-H402, or any of them
“Vessel-H401”	a 47.5-metre long high-speed passenger catamaran, which is currently under construction at a shipyard in Australia (Hull Number: 401)
“Vessel-H402”	a 47.5-metre long high-speed passenger catamaran, which is currently under construction at a shipyard in Australia (Hull Number: 402)
“Wealth Trump”	Wealth Trump Limited, a company incorporated in Hong Kong and an indirect non-wholly owned subsidiary of the Company
“AUD”	Australian dollars, the lawful currency of Australia
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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

Hong Kong, 7 August 2008

*As at the date of this announcement, the executive Directors 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.*