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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**

**(1) DISCLOSEABLE TRANSACTIONS**

**IN RELATION TO**

**PROPOSED ACQUISITION OF 70% EQUITY INTEREST  
IN PERENNIAL SOMERSET INVESTORS PTE. LTD.**

**AND**

**(2) CONNECTED TRANSACTION INVOLVING ISSUANCE  
OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE**

**INTRODUCTION**

On 25 January 2017, the Company, through its indirect wholly-owned subsidiary, Simply Swift, entered into the Cash Vendors SPA and the Share Vendor SPA for the acquisition of 70% interest in the Target Company, for the total consideration of S\$350,004,412 (equivalent to approximately HK\$1,915.5 million) (subject to the Post-Completion Accounts Adjustment), which will be settled by a combination of cash payments and the issuance of the Consideration Shares (subject to the approval of the grant of the Specific Mandate at the General Meeting). The Target Company is a company incorporated in Singapore whose principal asset is the Property, a commercial landmark development located near Orchard Road in Singapore.

## **THE CASH VENDORS SPA**

On 25 January 2017, Simply Swift (an indirect wholly-owned subsidiary of the Company) as the purchaser and the Cash Vendors entered into the Cash Vendors SPA, pursuant to which the Cash Vendors conditionally agreed to sell, and Simply Swift conditionally agreed to purchase, the Cash Vendors Sale Shares (representing 61% of the total issued Target Ordinary Shares and 61% of the total issued Target Preference Shares) and the Cash Vendors Sale Bonds (representing 61% of the total issued Target Junior Bonds) at the Cash Vendors Consideration, which is to be settled by Simply Swift by cash payments.

## **THE SHARE VENDOR SPA**

On 25 January 2017, Simply Swift, the Company and the Share Vendor (a connected person of the Company) entered into the Share Vendor SPA, pursuant to which the Share Vendor conditionally agreed to sell, and Simply Swift conditionally agreed to purchase, the Share Vendor Sale Shares (representing 9% of the total issued Target Ordinary Shares and 9% of the total issued Target Preference Shares) and the Share Vendor Sale Bonds (representing 9% of the total issued Target Junior Bonds) at the Share Vendor Consideration, which is to be settled by (i) the issuance of the Consideration Shares by the Company to the Share Vendor if the grant of the Specific Mandate is approved by the Independent Shareholders at the General Meeting; or (ii) cash payment by Simply Swift if the grant of the Specific Mandate is not approved by the Independent Shareholders at the General Meeting.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the transactions contemplated under the Cash Vendors SPA and the Share Vendor SPA (calculated based on the aggregate sum of the maximum amount of the Cash Vendors Consideration and the Share Vendor Consideration) is more than 5% but less than 25%, the entering into the Cash Vendors SPA and the Share Vendor SPA, when aggregated, constitute discloseable transactions of the Company which are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Share Vendor is a company wholly-owned by Ms. Pansy Ho (a Director and a substantial shareholder of the Company) and hence, a connected person of the Company, the entering into the Share Vendor SPA and the transactions contemplated thereunder also constitute a connected transaction of the Company.

Since one or more of the applicable percentage ratios (calculated based on the maximum amount of the Share Vendor Consideration) is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2)(a) of the Listing Rules, such acquisition is subject to the reporting and announcement requirements and is exempt from the circular and Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules, except for the allotment and issuance of the Consideration Shares to the Share Vendor which is subject to the approval by the Independent Shareholders at the General Meeting for the grant of the Specific Mandate.

## **GENERAL**

The General Meeting will be convened for the Independent Shareholders to consider and, if thought fit, pass the requisite resolution(s) to approve the grant of the Specific Mandate. A Circular containing, among other things, further information on the Share Vendor SPA and the Specific Mandate, the recommendation of the Independent Board Committee, the recommendation and advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders and the notice of the General Meeting, and form of proxy are expected to be despatched to the Shareholders on or before 17 February 2017.

## **BACKGROUND**

The Board is pleased to announce that on 25 January 2017, Simply Swift (an indirect wholly-owned subsidiary of the Company) as the purchaser and the Cash Vendors entered into the Cash Vendors SPA, pursuant to which the Cash Vendors conditionally agreed to sell, and Simply Swift conditionally agreed to purchase, the Cash Vendors Sale Shares (representing 61% of the total issued Target Ordinary Shares and 61% of the total issued Target Preference Shares) and the Cash Vendors Sale Bonds (representing 61% of the total issued Target Junior Bonds) at the Cash Vendors Consideration, which is to be settled by Simply Swift by cash payments.

The Board is also pleased to announce that on 25 January 2017, Simply Swift, the Company and the Share Vendor (a connected person of the Company) entered into the Share Vendor SPA, pursuant to which the Share Vendor conditionally agreed to sell, and Simply Swift conditionally agreed to purchase, the Share Vendor Sale Shares (representing 9% of the total issued Target Ordinary Shares and 9% of the total issued Target Preference Shares) and the Share Vendor Sale Bonds (representing 9% of the total issued Target Junior Bonds) at the Share Vendor Consideration, which is to be settled by (i) the issuance of the Consideration Shares by the Company to the Share

Vendor if the grant of the Specific Mandate is approved by the Independent Shareholders at the General Meeting; or (ii) cash payment by Simply Swift if the grant of the Specific Mandate is not approved by the Independent Shareholders at the General Meeting.

## **THE CASH VENDORS SPA AND THE SHARE VENDOR SPA**

### **(A) Cash Vendors SPA**

#### **Date**

25 January 2017

#### **Parties**

- (1) Simply Swift (as the purchaser), an indirect wholly-owned subsidiary of the Company;
- (2) Perennial Singapore Investment Holdings Pte. Ltd. (as one of the sellers), holder of 50.2% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively;
- (3) Singhaiyi TripleOne Pte. Ltd. (as one of the sellers), holder of 20.0% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively;
- (4) Boustead Projects Limited (as one of the sellers), holder of 5.5% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively;
- (5) Imagine Properties Pte. Ltd. (as one of the sellers), holder of 5.3% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively;
- (6) Shun Fung Holdings (Private) Limited (as one of the sellers), holder of 5.0% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively;
- (7) ROOI Holdings Pte. Ltd. (as one of the sellers), holder of 3.0% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively; and
- (8) Grandma's Holdings Limited (as one of the sellers), holder of 2.0% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively.

Perennial Singapore Investment Holdings Pte. Ltd. is a wholly-owned subsidiary of Perennial Real Estate Holdings Limited, which is the ultimate holding company of Perennial Hengqin Investment Group Pte. Ltd.. Perennial Hengqin Investment Group Pte. Ltd. is a substantial shareholder of an insignificant subsidiary (having the meaning in Rule 14A.09 of the Listing Rules) of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the remaining Cash Vendors and their ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

### **Subject matter**

Subject to the terms and conditions of the Cash Vendors SPA, the Cash Vendors conditionally agreed to sell, and Simply Swift conditionally agreed to purchase, the Cash Vendors Sale Shares (representing 61% of the total issued Target Ordinary Shares and 61% of the total issued Target Preference Shares) and the Cash Vendors Sale Bonds (representing 61% of the total issued Target Junior Bonds), the breakdown of which is as follows:

<b>Cash Vendor</b>	<b>Percentage of total issued Target Ordinary Shares</b>	<b>Percentage of total issued Target Preference Shares</b>	<b>Percentage of total issued Target Junior Bonds</b>
Perennial Singapore Investment Holdings Pte. Ltd.	20.2%	20.2%	20.2%
Singhaiyi TripleOne Pte. Ltd.	20.0%	20.0%	20.0%
Boustead Projects Limited	5.5%	5.5%	5.5%
Imagine Properties Pte. Ltd.	5.3%	5.3%	5.3%
Shun Fung Holdings (Private) Limited	5.0%	5.0%	5.0%
ROOI Holdings Pte. Ltd.	3.0%	3.0%	3.0%
Grandma's Holdings Limited	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>
<b>Total</b>	<b><u>61.0%</u></b>	<b><u>61.0%</u></b>	<b><u>61.0%</u></b>

## **Cash Vendors Consideration**

The Cash Vendors Consideration for the Cash Vendors SPA shall be in the base amount of S\$305,003,845 (equivalent to approximately HK\$1,669.2 million) (the **Cash Vendors Base Consideration**), comprising S\$165,313,845 (equivalent to approximately HK\$904.7 million) for the sale of the Cash Vendors Sale Shares and S\$139,690,000 (equivalent to approximately HK\$764.5 million) for the Cash Vendors Sale Bonds, which shall be satisfied by cash payments by Simply Swift to the Cash Vendors in the following manner:

- (a) S\$15,250,192.25 (equivalent to approximately HK\$83.5 million), representing 5% of the Cash Vendors Base Consideration, shall be payable by Simply Swift within five Business Days after the date of the Cash Vendors SPA as deposit (the **Cash Vendors Deposit**);
- (b) S\$259,253,268.25 (equivalent to approximately HK\$1,418.8 million), representing 85% of the Cash Vendors Base Consideration, shall be payable by Simply Swift within five Business Days after the date of completion of the Cash Vendors SPA; and
- (c) the balance of the Cash Vendors Base Consideration, taking into account the Post-Completion Accounts Adjustment, shall be payable by Simply Swift within five Business Days after the Cash Vendors Settlement Date (the **Cash Vendors Last Instalment**).

## **(B) Share Vendor SPA**

### **Date**

25 January 2017

### **Parties**

- (1) Simply Swift (as the purchaser), an indirect wholly-owned subsidiary of the Company;
- (2) the Company; and
- (3) Unified Elite Limited (as the seller), holder of 9% of the total issued Target Ordinary Shares, Target Preference Shares and Target Junior Bonds, respectively, and a connected person of the Company.

## **Subject matter**

Subject to the terms and conditions of the Share Vendor SPA, the Share Vendor conditionally agreed to sell, and Simply Swift conditionally agreed to purchase, the Share Vendor Sale Shares (representing 9% of the total issued Target Ordinary Shares and 9% of the total issued Target Preference Shares) and the Share Vendor Sale Bonds (representing 9% of the total issued Target Junior Bonds).

The aggregate original cost of the Share Vendor Sale Shares and the Share Vendor Sale Bonds to the Share Vendor was S\$29,245,590 (equivalent to approximately HK\$160.1 million).

## **Share Vendor Consideration**

The Share Vendor Consideration for the Share Vendor SPA shall be in the base amount of S\$45,000,567 (equivalent to approximately HK\$246.3 million) (the **Share Vendor Base Consideration**), comprising S\$24,390,567 (equivalent to approximately HK\$133.5 million) for the sale of the Share Vendor Sale Shares and S\$20,610,000 (equivalent to approximately HK\$112.8 million) for the sale of the Share Vendor Sale Bonds, subject to the Post-Completion Accounts Adjustment. The Share Vendor Consideration shall be satisfied within five Business Days after the Share Vendor Settlement Date by:

- (a) if the grant of the Specific Mandate is approved by the Independent Shareholders at the General Meeting, the issuance and allotment by the Company to the Share Vendor (or its nominee) of such number of Consideration Shares as calculated by the Share Vendor Consideration (after the Post-Completion Accounts Adjustment) (based on the exchange rate of S\$1 to HK\$5.47275) divided by the Issue Price (rounded down to the nearest whole number); or
- (b) if the grant of the Specific Mandate is not approved by the Independent Shareholders at the General Meeting, cash payment in such amount equivalent to the Share Vendor Consideration (after the Post-Completion Accounts Adjustment) by Simply Swift to the Share Vendor.

## **Issue Price**

The Issue Price of HK\$2.70 per Consideration Share was determined after arm's length negotiations between the Company and the Share Vendor, and represents the average of the closing price of the Shares as quoted on the Stock Exchange for the 20 consecutive trading days immediately preceding the date of the Share Vendor SPA.

The Issue Price represents:

- (a) a discount of approximately 1.46% to the closing price of the Shares of HK\$2.74 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 1.82% to the average of the closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day of approximately HK\$2.75 per Share; and
- (c) a discount of approximately 73.86% over the unaudited consolidated net asset value of the Company per Share in issue as at 30 June 2016.

### **Basis of the Cash Vendors Base Consideration and the Share Vendor Base Consideration**

The Cash Vendors Base Consideration and the Share Vendor Base Consideration were determined after arm's length negotiations among the parties to the Cash Vendors SPA and the Share Vendor SPA, respectively, taking into consideration of, among others, the following factors:

- (a) the current and expected market value of the Property upon completion of an asset enhancement program which is currently underway;
- (b) the total assets and liabilities of the Target Group other than the Property; and
- (c) the equity interest in the Target Company represented by the Cash Vendors Sale Shares and the Share Vendor Sale Shares, respectively.

The Directors (excluding the Abstained Directors) are of the view that the terms of the Cash Vendors SPA and the Share Vendor SPA, which have been reached after arm's length negotiations among the parties thereto, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, taking into account, among other things, the terms and conditions of the Cash Vendors SPA and the Share Vendor SPA and the value and condition of the Property.



## **Conditions precedent under the Cash Vendors SPA and the Share Vendor SPA**

Completion of each of the Cash Vendors SPA and the Share Vendor SPA is conditional on the fulfilment (or, if applicable, the waiver) of the following conditions (collectively, the **Conditions**):

- (a) Simply Swift or the Company having obtained such consents or approvals as may be required by any Governmental Authority in Hong Kong to complete the transactions contemplated in the Cash Vendors SPA or the Share Vendor SPA (as the case may be) (other than the Specific Mandate for the Share Vendor SPA);
- (b) all necessary consents or waivers from the relevant banks which have provided banking facilities to the Target Group which are required for the performance and/or completion of the Cash Vendors SPA or the Share Vendor SPA (as the case may be) having been obtained on terms and conditions reasonably satisfactory to Simply Swift and not having been revoked or amended prior to Completion;
- (c) the lenders to the Senior Loan Facilities having (i) discharged or released the Cash Vendors (other than Perennial Singapore Investment Holdings Pte. Ltd.) or the Share Vendor (as the case may be) and their respective affiliates from their undertakings given in relation to the Senior Loan Facilities on reasonably satisfactory terms and conditions; and (ii) in respect of Perennial Singapore Investment Holdings Pte. Ltd. for the Cash Vendors SPA only, consented to a variation of the undertakings given by Perennial Singapore Investment Holdings Pte. Ltd. and its affiliates on reasonably satisfactory terms and conditions, in each case subject only to Completion taking place;
- (d) in respect of the Target Junior Bonds which are currently held by a trustee on behalf of the holders, such trustee having executed supplemental agreements to the relevant trust deed in relation to the Target Junior Bonds, subject to Completion taking place;
- (e) the warranties given by the Cash Vendors or the Share Vendor (as the case may be) remaining true and accurate and not misleading in any material respect if they were repeated at Completion by reference to the facts and circumstances then existing; and
- (f) the auditor of the Target Company having completed the audit of and issued an unqualified opinion on the financial statements of the Target Group for the financial year ended 31 December 2016.

Simply Swift may at its discretion waive any of the Conditions set out in paragraphs (e) and (f) above. The Conditions set out in paragraphs (b) to (d) above may be waived with written consent of all parties to the Cash Vendors SPA or the Share Vendor SPA (as the case may be). The Condition set out in paragraph (a) above is not waivable by the parties to the Cash Vendors SPA and the Share Vendor SPA.

If any Condition is not fulfilled or waived (as applicable) on or before 30 June 2017 (or such later date as the parties may agree in writing), the Cash Vendors SPA or the Share Vendor SPA (as the case may be) shall terminate and no party thereto shall have any claim against any of the others, except in respect of any antecedent breach of the terms thereof. Within five Business Days after the termination of the Cash Vendors SPA, the Cash Vendors Deposit shall be returned to Simply Swift in full.

### **Completion of the Cash Vendors SPA and the Share Vendor SPA**

Completion shall take place on the later of (i) 28 February 2017 or (ii) the fifth Business Day after the date on which all the Conditions are fulfilled or waived (as applicable), or such other date as the parties to the Cash Vendors SPA or the Share Vendor SPA (as the case may be) shall agree in writing.

Upon Completion, Simply Swift shall enter into (i) tax deeds of indemnity with the Cash Vendors and the Share Vendor; and (ii) a shareholders' agreement with the remaining shareholder of the Target Company, namely Perennial Singapore Investment Holdings Pte. Ltd..

Upon Completion, the Target Company will become an indirect subsidiary owned by the Company as to 70%, and its financial results will be consolidated into the consolidated financial statements of the Group.

The Target Company owns the Property through its indirect wholly-owned subsidiary, Perennial (Somerset) Pte. Ltd.. Upon Completion, the Target Company will enter into a supplemental asset management agreement and a supplemental property and project management agreement and other related agreements in relation to the provision of asset, property and project management services in respect of the Property. Please refer to the paragraph headed "Information on the Target Company and the Property" below for more information of the Target Company and the Property.

### **Post-Completion Accounts Adjustment**

Pursuant to the Cash Vendors SPA and the Share Vendor SPA, as soon as practicable after Completion, an internationally recognised accounting firm shall be appointed to prepare an audited consolidated balance sheet of the Target Group as at Completion (the **Completion Accounts**) for the purpose of the determination of the Cash

Vendors' or the Share Vendor's (as the case may be) pro-rata share of the net asset value of the Target Group as at Completion (the **Completion NAV Amount**), which shall take into account, among others, the value of the Property with reference to its total net strata area, and other assets and liabilities of the Target Group as at Completion.

Pursuant to the Cash Vendors SPA and the Share Vendor SPA, the Cash Vendors Base Consideration and the Share Vendor Base Consideration shall be subject to adjustment with reference to the Completion NAV Amount (the **Post-Completion Accounts Adjustment**) in the following manner:

- (a) in respect of the Cash Vendors, in the event that their pro-rata share of the Completion NAV Amount is:
  - (i) more than the Cash Vendors Base Consideration, Simply Swift shall pay to the Cash Vendors an aggregate amount equal to such excess up to a maximum amount of S\$3,000,000 (equivalent to approximately HK\$16.4 million) and such payment shall be added to the balance of the Cash Vendors Base Consideration payable by Simply Swift in the Cash Vendors Last Instalment;
  - (ii) less than the Cash Vendors Base Consideration, the Cash Vendors shall pay to Simply Swift an aggregate amount equal to such shortfall and such payment shall be deducted from the balance of the Cash Vendors Base Consideration payable by Simply Swift in the Cash Vendors Last Instalment;  
or
  - (iii) equal to the Cash Vendors Base Consideration, no adjustment is required to be made to the amount of payment in the Cash Vendors Last Instalment; and
- (b) in respect of the Share Vendor, in the event that its pro-rata share of the Completion NAV Amount is:
  - (i) more than the Share Vendor Base Consideration, an amount equal to such excess up to a maximum amount of S\$500,000 (equivalent to approximately HK\$2.7 million) shall be added to the Share Vendor Base Consideration for the determination of the Share Vendor Consideration;
  - (ii) less than the Share Vendor Base Consideration, an amount equal to such shortfall shall be deducted from the Share Vendor Base Consideration for the determination of the Share Vendor Consideration; or
  - (iii) equal to the Share Vendor Base Consideration, no adjustment is required and the Share Vendor Consideration shall be equal to the Share Vendor Base Consideration.

Pursuant to the Post-Completion Accounts Adjustment set out above, upward adjustment, if any, to the Share Vendor Base Consideration will be capped at S\$500,000 (equivalent to approximately HK\$2.7 million). Based on the maximum amount of the Share Vendor Consideration of S\$45,500,567 (equivalent to approximately HK\$249.0 million), the Company would be required, if the grant of the Specific Mandate is approved by the Independent Shareholders at the General Meeting, to allot and issue up to 92,227,121 Consideration Shares to the Share Vendor within five Business Days after the Share Vendor Settlement Date. The Company will seek the grant of the Specific Mandate from the Independent Shareholders at the General Meeting for the allotment and issuance of up to 92,227,121 Consideration Shares. An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

### **INFORMATION ON THE GROUP AND SIMPLY SWIFT**

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.

Simply Swift is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company.

### **INFORMATION ON THE CASH VENDORS**

Perennial Singapore Investment Holdings Pte. Ltd. is a wholly-owned subsidiary of Perennial Real Estate Holdings Limited, a company listed on Singapore Exchange Ltd.. It is a company incorporated in Singapore with limited liability, and its principal activities are those relating to investment holding. It will continue to hold 30% interest in the Target Company upon Completion.

Singhaiyi TripleOne Pte. Ltd. is a company incorporated in Singapore with limited liability, which is principally engaged in investment holding.

Boustead Projects Limited is a company incorporated in Singapore with limited liability, which is principally engaged in the business of general contractors for building construction (including major upgrading works).

Imagine Properties Pte. Ltd. is a company incorporated in Singapore with limited liability, which is principally engaged in investment holding.

Shun Fung Holdings (Private) Limited is a company incorporated in Singapore with limited liability, which is principally engaged in property investment.

ROOI Holdings Pte. Ltd. is a company incorporated in Singapore with limited liability, which is principally engaged in investment holding.

Grandma's Holdings Limited is a company incorporated in the British Virgin Islands with limited liability, which is a family trust.

## INFORMATION ON THE SHARE VENDOR

The Share Vendor is a company incorporated in the British Virgin Islands with limited liability and owned as to 100% by Ms. Pansy Ho, a Director and a substantial shareholder of the Company. The Share Vendor is principally engaged in investment holding.

## INFORMATION ON THE TARGET COMPANY AND THE PROPERTY

The Target Company is a company incorporated in Singapore with limited liability and its principal asset is the Property. Set out below is the consolidated financial information of the Target Group for the period from 25 September 2013 to 31 December 2014, the twelve months ended 31 December 2015 and the eleven months ended 30 November 2016, respectively:

	<b>For the period from 25 September 2013 to 31 December 2014</b>	<b>For the twelve months ended 31 December 2015</b>	<b>For the eleven months ended 30 November 2016</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>
	<i>S\$'000</i>	<i>S\$'000</i>	<i>S\$'000</i>
Net profit (losses) before taxation	4,322	(935)	3,799
Net profit after taxation	3,929	239	2,884
Net asset value ( <i>Note</i> )	4,273	4,512	7,395

*Note: Net asset value of the Target Group is the value of its total assets net of its total liabilities. For accounting purposes, the Target Preference Shares and the Target Junior Bonds are treated as liabilities of the Target Group.*

### The Property

The Property, namely TripleOne Somerset, is a 17-storey commercial landmark development situated at 111 Somerset Road, Singapore with a gross floor area of approximately 766,550 square feet. The Property, with an occupancy rate of approximately 75% in December 2016 for the office section, comprises 15 storeys of premium strata office units on two towers, 2 levels of retail podium and 2 levels of basement car park.

The Property is currently undergoing an extensive asset enhancement program. Under the Cash Vendors SPA and the Share Vendor SPA, the total net strata area of the Property is expected to be, subject to adjustment, approximately 572,000 square feet for office, medical suites and retail components upon completion of the asset enhancement works.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CASH VENDORS SPA AND THE SHARE VENDOR SPA**

The Property represents an excellent opportunity for the Company to invest in a high-quality commercial property in close proximity to Orchard Road, Singapore's prime retail, business and medical hub. It enjoys direct access to the Mass Rapid Transit, and is connected to the rest of city by a convenient highway network.

The Property is currently undergoing an extensive asset enhancement program and holds significant potential for enhanced returns. While the proposed acquisition of 70% interest in the Property will provide immediate contribution to the Group's recurrent income, the Group will, subject to the prevailing market condition, consider disposing of the Property on a strata title basis.

The Board considers the proposed transactions to be a favorable strategy, whereby the Group can leverage its core strengths in property development, investment and management to extend its footprint in a key Asian city.

Having regard to the reasons for and benefits of the proposed transactions, the Directors (excluding the Abstained Directors) are of the view that the terms of the Cash Vendors SPA and the Share Vendor SPA have been reached after arm's length negotiations among the parties and are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **EFFECT OF THE ISSUE OF THE CONSIDERATION SHARES ON THE SHAREHOLDING STRUCTURE OF THE COMPANY**

Assuming that Simply Swift will pay the maximum amount of the Share Vendor Consideration of S\$45,500,567 (equivalent to approximately HK\$249.0 million) pursuant to the Share Vendor SPA and the grant of the Specific Mandate is approved by the Independent Shareholders at the General Meeting, the 92,227,121 Consideration Shares to be allotted and issued by the Company to the Share Vendor will constitute approximately 3.03% of the existing issued Shares and approximately 2.94% of the enlarged issued Shares immediately after the issue of all of the Consideration Shares.

Details of the shareholding structure of the Company as at the date of this announcement and immediately after the issue of the maximum amount of Consideration Shares (assuming that there is no other change to the shareholding structure of the Company) are set out below:

	Issued Shares as at the date of this announcement		Issued Shares immediately after issue of all Consideration Shares	
	(no. of Shares)	%	(no. of Shares)	%
Dr. Stanley Ho	1,798,559	0.06%	1,798,559	0.06%
Ms. Pansy Ho	525,664,564	17.28%	525,664,564	16.77%
Share Vendor or its nominee	—	—	92,227,121	2.94%
Ms. Daisy Ho	220,639,816	7.25%	220,639,816	7.04%
Ms. Maisy Ho	70,618,215	2.32%	70,618,215	2.25%
Renita Investments Limited and its subsidiary	500,658,864	16.46%	500,658,864	15.97%
Shun Tak Shipping Company, Limited and its subsidiaries	373,578,668	12.28%	373,578,668	11.92%
Megaprosper Investments Limited	65,040,000	2.14%	65,040,000	2.07%
Others	<u>1,284,467,099</u>	<u>42.21%</u>	<u>1,284,467,099</u>	<u>40.98%</u>
<b>Total</b>	<b><u>3,042,465,785</u></b>	<b><u>100%</u></b>	<b><u>3,134,692,906</u></b>	<b><u>100%</u></b>

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the transactions contemplated under the Cash Vendors SPA and the Share Vendor SPA (calculated based on the aggregate sum of the maximum amount of the Cash Vendors Consideration and the Share Vendor Consideration) is more than 5% but less than 25%, the entering into the Cash Vendors SPA and the Share Vendor SPA, when aggregated, constitute discloseable transactions of the Company which are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Share Vendor is a company wholly-owned by Ms. Pansy Ho (a Director and a substantial shareholder of the Company) and hence, a connected person of the Company, the entering into the Share Vendor SPA and the transactions contemplated thereunder also constitute a connected transaction of the Company. Since one or more of the applicable percentage ratios (calculated based on the maximum amount of the Share Vendor Consideration) is more than 0.1% but less than 5%, pursuant to Rule 14A.76(2)(a) of the Listing Rules, such acquisition is subject to the reporting and

announcement requirements and is exempt from the circular and Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules, except for the allotment and issuance of the Consideration Shares to the Share Vendor which is subject to the approval by the Independent Shareholders at the General Meeting for the grant of the Specific Mandate.

## **THE GENERAL MEETING**

The General Meeting will be convened for the Independent Shareholders to consider and, if thought fit, pass the requisite resolution(s) to approve the grant of the Specific Mandate. Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, and Shun Tak Shipping Company, Limited and its subsidiaries and their respective associates, including Renita Investments Limited and its subsidiary, and Megaproper Investments Limited (together holding 1,757,998,686 Shares, being approximately 57.78% of the total issued Shares as at the date of this announcement) are required to abstain from voting on the relevant resolution(s) to be proposed at the General Meeting. Save as disclosed, to the best knowledge, information and belief of the Directors, no other Shareholder has a material interest in the Share Vendor SPA and the grant of the Specific Mandate and therefore would be required to abstain from voting on the relevant resolution(s) to be proposed at the General Meeting.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, apart from the Abstained Directors who have abstained from voting on the Board resolutions approving the Share Vendor SPA and the transactions contemplated thereunder in view of their respective interests therein, no other Directors were in any way materially interested in the Cash Vendors SPA and the Share Vendor SPA and the transactions contemplated thereunder.

## **GENERAL**

The Independent Board Committee has been formed to consider and advise the Independent Shareholders on the grant of the Specific Mandate. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders on the grant of the Specific Mandate.

A Circular containing, among other things, further information on the Share Vendor SPA and the Specific Mandate, the recommendation of the Independent Board Committee, the recommendation and advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders and the notice of the General Meeting, and form of proxy are expected to be despatched to the Shareholders on or before 17 February 2017.



**SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD BE AWARE THAT THE CASH VENDORS SPA AND THE SHARE VENDOR SPA ARE SUBJECT TO THE SATISFACTION OF A NUMBER OF CONDITIONS, AND MAY OR MAY NOT PROCEED. ACCORDINGLY, SHAREHOLDERS AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES OF THE COMPANY.**

## **DEFINITIONS**

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

“Abstained Directors”	Dr. Stanley Ho and Ms. Pansy Ho who have not given any opinion and have abstained from voting on the Board resolutions approving the Cash Vendors SPA and the Share Vendor SPA and the transactions contemplated thereunder
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday) on which Hong Kong and Singapore clearing banks are open for the transaction of normal banking business
“Cash Vendors”	Perennial Singapore Investment Holdings Pte. Ltd., Singhaiyi TripleOne Pte. Ltd., Boustead Projects Limited, Imagine Properties Pte. Ltd., Shun Fung Holdings (Private) Limited, ROOI Holdings Pte. Ltd. and Grandma’s Holdings Limited
“Cash Vendors Consideration”	the Cash Vendors Base Consideration, subject to the Post-Completion Accounts Adjustment
“Cash Vendors Base Consideration”	S\$305,003,845 (equivalent to approximately HK\$1,669.2 million)
“Cash Vendors Sale Shares”	an aggregate of 1,396,900 Target Ordinary Shares and 1,396,900 Target Preference Shares, representing 61% of the total issued Target Ordinary Shares and 61% of the total issued Target Preference Shares, respectively

“Cash Vendors Sale Bonds”	Target Junior Bonds for an aggregate principal amount of S\$139,690,000 (equivalent to approximately HK\$764.5 million), representing 61% of the total issued Target Junior Bonds, and inclusive of any unpaid accrued interest in respect of such Target Junior Bonds on Completion
“Cash Vendors Settlement Date”	five Business Days after the date on which the Completion Accounts is issued and the Completion NAV Amount is determined and agreed upon among Simply Swift and the Cash Vendors in writing with reference to the Completion Accounts
“Cash Vendors SPA”	a sale and purchase agreement dated 25 January 2017 and entered into among Simply Swift and the Cash Vendors in relation to the acquisition of the Cash Vendors Sale Shares and the Cash Vendors Sale Bonds
“Circular”	the circular to be sent to the Shareholders in relation to the General Meeting containing, among other things, details of the Share Vendor SPA and the grant of the Specific Mandate
“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)
“Completion”	the completion of the acquisition of the Cash Vendors Sale Shares and the Cash Vendors Sale Bonds in accordance with the terms and conditions of the Cash Vendors SPA and the acquisition of the Share Vendor Sale Shares and the Share Vendor Sale Bonds in accordance with the terms and conditions of the Share Vendor SPA
“Consideration Shares”	up to 92,227,121 new Shares to be allotted and issued by the Company to the Share Vendor to satisfy the Share Vendor Consideration
“Director(s)”	the director(s), including independent non-executive director(s), of the Company
“General Meeting”	general meeting of the Company to be convened for the purpose of approving the grant of the Specific Mandate

“Government Authority”	any national, provincial or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public, regulatory, legislative or statutory instrumentality, authority, body, agency, department, bureau or entity (including any zoning authority or any comparable authority) or any arbitrator with authority to bind a party to the Cash Vendors SPA or the Share Vendor SPA (as the case may be) or any company at law
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising Mr. Norman Ho, Mr. Charles Ho, Mr. Michael Ng and Mr. Kevin Yip, being all the independent non-executive Directors, which has been established to advise the Independent Shareholders in respect of the grant of the Specific Mandate
“Independent Shareholders”	the Shareholders other than Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, Shun Tak Shipping Company, Limited and their respective associates and any other persons who have material interests in the Share Vendor SPA and the grant of the Specific Mandate
“Issue Price”	HK\$2.70 per Consideration Share
“Last Trading Day”	24 January 2017, being the last full trading day for the Shares before the date of this announcement
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Post-Completion Accounts Adjustment”	adjustment to the Cash Vendors Base Consideration and the Share Vendor Base Consideration with reference to the Completion NAV Amount, details of which are more particularly set out under the section headed “The Cash Vendors SPA and the Share Vendor SPA - Post-Completion Accounts Adjustment” in this announcement
“Property”	a 17-storey development known as TripleOne Somerset situated at 111 Somerset Road, Singapore
“S\$”	Singapore dollars, the lawful currency of Singapore
“Senior Loan Facilities”	certain bank loan facilities granted by certain financial institutions in Singapore to Perennial (Somerset) Pte. Ltd., an indirect wholly-owned subsidiary of the Target Company
“Share(s)”	ordinary share(s) of the Company
“Share Vendor”	Unified Elite Limited, a company incorporated in the British Virgin Islands with limited liability and owned as to 100% by Ms. Pansy Ho (a Director and a substantial shareholder of the Company)
“Share Vendor Consideration”	the Share Vendor Base Consideration, subject to the Post-Completion Accounts Adjustment
“Share Vendor Base Consideration”	S\$45,000,567 (equivalent to approximately HK\$246.3 million)
“Share Vendor Sale Shares”	an aggregate of 206,100 Target Ordinary Shares and 206,100 Target Preference Shares, representing 9% of the total issued Target Ordinary Shares and 9% of the total issued Target Preference Shares, respectively
“Share Vendor Sale Bonds”	Target Junior Bonds for an aggregate principal amount of S\$20,610,000 (equivalent to approximately HK\$112.8 million), representing 9% of the total issued Target Junior Bonds, and inclusive of any unpaid accrued interest in respect of such Target Junior Bonds on Completion

“Share Vendor Settlement Date”	five Business Days after the latest of the following dates: (i) the date following the General Meeting; (ii) the date on which the Completion Accounts is issued and the Completion NAV Amount is determined and agreed upon between Simply Swift and the Share Vendor in writing with reference to the Completion Accounts; and (iii) the date of completion of the Share Vendor SPA
“Share Vendor SPA”	a sale and purchase agreement dated 25 January 2017 and entered into among Simply Swift, the Company and the Share Vendor in relation to the acquisition of the Share Vendor Sale Shares and the Share Vendor Sale Bonds
“Shareholder(s)”	holder(s) of the Share(s)
“Simply Swift”	Simply Swift Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Singapore”	the Republic of Singapore
“Specific Mandate”	the specific mandate to be proposed at the General Meeting for approval by the Independent Shareholders in relation to the allotment and issuance of up to 92,227,121 Consideration Shares to the Share Vendor
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Perennial Somerset Investors Pte. Ltd., a company incorporated in Singapore with limited liability and the owner of the Property
“Target Group”	the Target Company and its subsidiaries
“Target Junior Bonds”	bearer bonds comprising S\$229,000,000 junior bonds issued by the Target Company
“Target Ordinary Shares”	issued ordinary shares in the capital of the Target Company

“Target Preference Shares” issued redeemable preference shares in the capital of the Target Company

“%” percent

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

*For the purpose of this announcement, unless the context otherwise requires, conversion of Singapore dollars into Hong Kong dollars is based on the approximate exchange rate of S\$1 to HK\$5.47275, which is the middle rate of the selling rate and the buying TT rate published by the Hong Kong Association of Banks on the Business Day immediately preceding the date of this announcement. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Singapore dollars or Hong Kong dollars have been, could have been or may be converted at such or any other rate or at all.*

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

Hong Kong, 25 January 2017

*As at the date of this announcement, the executive Directors of the Company are Dr. Stanley Ho, 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 Ng and Mr. Kevin Yip.*