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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shun Tak Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the licensed securities dealer or registered institution in securities, or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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 TRANSACTION
IN RELATION TO
THE AWARD OF
NC5 FOUNDATION CONTRACT FOR
NOVA CITY PHASE 5**

**Independent financial adviser to the Independent Board Committee
and the independent Shareholders of Shun Tak Holdings Limited**



CIMB Securities (HK) Limited

A letter from the Board is set out on pages 3 to 7 of this circular. A letter from the Independent Board Committee is set out on pages 8 and 9 of this circular. A letter from CIMB Securities containing its advice and recommendation to the Independent Board Committee and the independent Shareholders is set out on pages 10 to 13 of this circular.

1 February 2012

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Abstained Director”	Dato’ Dr. Cheng Yu Tung, being a non-executive Director of the Company, who has not given any opinion and has abstained from voting on the board resolutions approving the award of the NC5 Foundation Contract and the transactions contemplated thereunder in view of his interests in Vibro
“Board”	the board of Directors
“CIMB Securities”	CIMB Securities (HK) Limited, a licensed corporation under the SFO licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial advisor appointed to advise the Independent Board Committee and the independent Shareholders in respect of the award of the NC5 Foundation Contract
“Company”	Shun Tak Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 242)
“Director(s)”	the director(s), including independent non-executive director(s), of the Company
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising Sir Roger Lobo, Mr. Norman Ho and Mr. Charles Ho, being all the independent non-executive Directors, which has been established to advise the independent Shareholders in respect of the award of the NC5 Foundation Contract
“Latest Practicable Date”	30 January 2012, being the latest practicable date prior to printing of this circular for ascertaining certain information contained in the circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China

DEFINITIONS

“NC4 Foundation Contract”	a legally binding letter of award dated 13 December 2010 executed by NTU, as the developer, and Vibro whereby Vibro is appointed as the foundation works contractor for the construction of the NC4 Residential Development
“NC4 Residential Development”	the residential development named Nova City Phase 4 situated at Lote BT35, Taipa, Macau with total gross floor area of approximately 63,279 square metres
“NC5 Foundation Contract”	a legally binding letter of award dated 6 January 2012 executed by NTU, as the developer, and Vibro whereby Vibro is appointed as the foundation works contractor for the construction of the NC5 Mixed-Use Development
“NC5 Mixed-Use Development”	the mixed-use development named Nova City Phase 5 situated at Lote BT2/3, Taipa, Macau with total gross floor area of approximately 275,815 square metres
“NTU”	Nova Taipa-Urbanizações, Limitada, a company incorporated in Macau and an indirect wholly-owned subsidiary of the Company
“NWD”	New World Development Company Limited, the shares of which are listed on the Stock Exchange (stock code: 17)
“NWD Group”	NWD together with its subsidiaries
“NWSH”	NWS Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 659) and an indirect subsidiary of the NWD
“Ranex”	Ranex Investments Limited, an indirect non wholly-owned subsidiary of the Company and owned as to, among others, 51% by the Group and 10% by the NWD Group as at the Latest Practicable Date
“Shares”	shares of HK\$0.25 each in the capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vibro”	Vibro (Macau) Limited, a non wholly-owned subsidiary of NWSH
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“MOP”	Macau patacas, the lawful currency of Macau

This circular contains conversion of certain MOP amounts into HK\$ amounts at the rate of HK\$1 = MOP1.03

LETTER FROM THE BOARD



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>

Directors:

Dr. Stanley Ho (*Group Executive Chairman*)

Sir Roger Lobo^{**}

Mr. Norman Ho^{**}

Mr. Charles Ho^{**}

Dato' Dr. Cheng Yu Tung^{*}

Mrs. Louise Mok^{*}

Mr. Michael Ng^{*}

Ms. Pansy Ho (*Managing Director*)

Ms. Daisy Ho (*Deputy Managing Director*)

Ms. Maisy Ho

Mr. David Shum

Registered office:

Penthouse 39th Floor

West Tower, Shun Tak Centre

200 Connaught Road Central

Hong Kong

* *Non-executive Director*

** *Independent non-executive Director*

1 February 2012

To the Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION IN RELATION TO
THE AWARD OF
NC5 FOUNDATION CONTRACT FOR
NOVA CITY PHASE 5**

INTRODUCTION

The Company announced on 6 January 2012 that, NTU, an indirect wholly-owned subsidiary of the Company and the developer of the NC5 Mixed-Use Development, entered into the NC5 Foundation Contract with Vibro, an indirect subsidiary of NWD, whereby Vibro is appointed as the contractor for the foundation works of the NC5 Mixed-Use Development. The contract sum of the NC5 Foundation Contract is MOP660 million (approximately HK\$641 million).

LETTER FROM THE BOARD

As disclosed in the Company's announcement dated 17 December 2010, Vibro was also appointed as the contractor for the foundation works of Nova City Phase 4 by the NC4 Foundation Contract with the contract sum of MOP185 million (approximately HK\$180 million).

Vibro is a connected person of the Company connected at the Company's subsidiary level and therefore the award of the NC5 Foundation Contract constitutes a connected transaction of the Company.

Since one of the percentage ratios as defined in Rule 14.07 of the Listing Rules in respect of the NC5 Foundation Contract exceeds 5%, the entering into of the NC5 Foundation Contract by NTU is subject to the reporting, announcement and independent Shareholders' approval requirements under Rules 14A.45 and 14A.48 of the Listing Rules.

As far as the Company is aware and based on the information available to the Company as at the Latest Practicable Date, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the award of the NC5 Foundation Contract. Written independent Shareholders' approval of the award of the NC5 Foundation Contract has been obtained from a closely allied group of Shareholders who together hold approximately 53.58% of the issued share capital of the Company as at the Latest Practicable Date. The Stock Exchange has granted the Company a waiver from the requirement to convene a Shareholders' meeting under Rule 14A.43 of the Listing Rules.

THE NC5 FOUNDATION CONTRACT

Date:	6 January 2012
Developer:	NTU
Foundation Contractor:	Vibro
Scope of Works:	Vibro, as the foundation works contractor, shall be responsible, without limitation, for the following: <ul style="list-style-type: none">(i) construction of large diameter bored piles;(ii) construction of steel sheet piles along the site boundary and installation of king posts; and(iii) other associated works including relocation of existing hoarding outside site boundary in order for the installation of sheet piles.

The foundation works is expected to be completed in the third quarter of 2013.

LETTER FROM THE BOARD

Contract Sum:	The contract sum of the NC5 Foundation Contract is MOP660 million (approximately HK\$641 million), payable by NTU to Vibro on a monthly basis based on the progress of works properly executed and of materials and goods delivered on site as certified by the architect appointed by NTU and subject to retention. The contract sum is arrived through a tender process, having regard to the quotations submitted, experience of the tenderers and the quality of work demonstrated in other construction projects undertaken by the tenderers.
Liquidated and Ascertained Damages:	In case the foundation works cannot be completed on time according to the NC5 Foundation Contract, Vibro shall be charged at a rate of MOP100,000 (approximately HK\$97,087) per day.
Performance Bond:	Vibro's performance of its obligations under the NC5 Foundation Contract is secured by a performance bond issued by a licensed bank in Hong Kong for a sum not less than 10% of the contract sum.
Parent Company Guarantee:	Vibro (H.K.) Limited, being a subsidiary of NWSH and the immediate holding company of Vibro, will execute a guarantee in favour of NTU to guarantee the due and punctual performance of the NC5 Foundation Contract by Vibro.

Conditions precedent

Completion of the award of the NC5 Foundation Contract is conditional upon the Stock Exchange having waived the requirement for the Company to convene a shareholders' meeting to approve the award of the NC5 Foundation Contract and the transactions contemplated thereunder or, if such waiver is not granted, the approval of the award of the NC5 Foundation Contract and the transactions contemplated thereunder by the independent Shareholders at a shareholders' meeting of the Company.

As at the Latest Practicable Date, the above condition has been fulfilled.

BACKGROUND TO, AND REASONS FOR, THE NC5 FOUNDATION CONTRACT

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.

NTU, the developer of the NC5 Mixed-Use Development, is an indirect wholly-owned subsidiary of the Company and is also engaged in property investment and development.

Vibro is engaged in the business of provision of piling and foundation services for building construction and civil engineering projects.

LETTER FROM THE BOARD

In the tendering processes for the NC5 Foundation Contract, Vibro demonstrated extensive construction experience and foundation services experience in Macau respectively. Its offer price was the most competitive among all the bids received for the NC5 Foundation Contract.

IMPLICATIONS UNDER THE LISTING RULES

NWD is a connected person of the Company under the Listing Rules by virtue of its indirect ownership of 10% of the issued share capital of Ranex, an indirect non wholly-owned subsidiary of the Company. Vibro is a subsidiary of NWSH, which is in turn a subsidiary of NWD. Therefore Vibro is a connected person of the Company under the Listing Rules and the award of the NC5 Foundation Contract constitutes a connected transaction of the Company.

Since one of the percentage ratios as defined in Rule 14.07 of the Listing Rules in respect of the NC5 Foundation Contract exceeds 5%, the entering into of the NC5 Foundation Contract by NTU is subject to the reporting, announcement and independent Shareholders' approval requirements under Rules 14A.45 and 14A.48 of the Listing Rules.

Dato' Dr. Cheng Yu Tung, a non-executive Director, has not given any opinion on, and has abstained from voting on the board resolution approving the award of the NC5 Foundation Contract and the transactions contemplated thereunder in view of his interests in Vibro.

INDEPENDENT SHAREHOLDERS' APPROVAL

As far as the Company is aware and based on the information available to the Company as at the Latest Practicable Date, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the award of the NC5 Foundation Contract. Written independent Shareholders' approval of the award of the NC5 Foundation Contract has been obtained from the following closely allied group of Shareholders who together hold approximately 53.58% of the issued share capital of the Company as at the Latest Practicable Date:

- (1) Shun Tak Shipping Company, Limited (together with its subsidiaries) holding 308,057,215 Shares (representing approximately 14.18% of the issued share capital of the Company), in which Dr. Stanley Ho's family have a beneficial interest;
- (2) Hanika Realty Company Limited ("Hanika") holding 399,502,244 Shares (representing approximately 18.39% of the issued share capital of the Company); and
- (3) Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho (all being Directors and holding a beneficial interest in Hanika), together with their respective controlled corporations, holding an aggregate of 456,498,659 Shares (representing approximately 21.01% of the issued share capital of the Company).

The Stock Exchange has granted the Company a waiver from the requirement to convene a Shareholders' meeting under Rule 14A.43 of the Listing Rules. Appropriate disclosure of the NC5 Foundation Contract will be made in the annual reports and accounts of the Company in accordance with the Listing Rules.

LETTER FROM THE BOARD

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Sir Roger Lobo, Mr. Norman Ho and Mr. Charles Ho, the three independent non-executive Directors, has been formed to consider, and to advise the independent Shareholders on, the award of the NC5 Foundation Contract to Vibro.

CIMB Securities has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders on the award of the NC5 Foundation Contract. Its appointment has been approved by the Independent Board Committee.

RECOMMENDATION

Having considered the reasons set out herein, the Directors (excluding the Abstained Director) are of the view that the award of the NC5 Foundation Contract is : (a) in the ordinary and usual course of business of the Group; (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. Therefore, the Directors recommend the independent Shareholders to vote in favour of the award of the NC5 Foundation Contract if a physical Shareholders' meeting was to be convened for considering and, if thought fit, approving the award of the NC5 Foundation Contract and the transactions contemplated thereunder.

Your attention is drawn to the letter from the Independent Board Committee containing its recommendation to the independent Shareholders set out on pages 8 and 9 of this circular and the letter of advice from CIMB Securities set out on pages 10 to 13 of this circular.

Yours faithfully,
For and on behalf of the Board
Shun Tak Holdings Limited
Pansy Ho
Managing Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



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>

1 February 2012

To the independent Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION
IN RELATION TO
THE AWARD OF
NC5 FOUNDATION CONTRACT FOR
NOVA CITY PHASE 5**

We refer to the circular dated 1 February 2012 of the Company (the “Circular”), of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider the terms of the NC5 Foundation Contract and to advise the independent Shareholders thereon. CIMB Securities has been appointed as the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in respect of the award of NC5 Foundation Contract to Vibro.

We wish to draw your attention to the letter from the Board, as set out on pages 3 to 7 of the Circular which contains details of the award of NC5 Foundation Contract and the letter from CIMB Securities as set out on pages 10 to 13 of the Circular which contains its advice and recommendation in respect of the award of NC5 Foundation Contract to the Independent Board Committee and the independent Shareholders.

Having taken into account the advice and recommendation of CIMB Securities, we consider that the award of NC5 Foundation Contract is on normal commercial terms, on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As stated in the letter from the Board, the Stock Exchange has granted its approval to waive the Shareholders’ meeting requirement.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We would recommend the independent Shareholders to vote in favour of the award of the NC5 Foundation Contract if a physical Shareholders' meeting was to be convened for the purpose of considering and, if thought fit, approving the award of NC5 Foundation Contract and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
**the Independent Board Committee of
Shun Tak Holdings Limited**
Sir Roger Lobo, Mr. Norman Ho and Mr. Charles Ho
Independent non-executive Directors

LETTER FROM CIMB SECURITIES



CIMB Securities (HK) Limited

Units 7706-08, Level 77
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

1 February 2012

*To the independent board committee and
the independent shareholders of Shun Tak Holdings Limited*

Dear Sir or Madam,

CONNECTED TRANSACTION THE AWARD OF NC5 FOUNDATION CONTRACT FOR NOVA CITY PHASE 5

INTRODUCTION

We refer to our engagement as the independent financial adviser to the Independent Board Committee and the Shareholders in respect of the award of the NC5 Foundation Contract which constitutes a connected transaction for the Company (the “**Transaction**”), details of which are contained in a circular dated 1 February 2012 (the “**Circular**”) of Shun Tak Holdings Limited (the “**Company**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

NWD is a connected person of the Company under the Listing Rules by virtue of its indirect ownership of 10% of the issued share capital of Ranex, an indirect non wholly-owned subsidiary of the Company. Vibro is a subsidiary of NWSH, which is in turn a subsidiary of NWD. Therefore, Vibro is a connected person of the Company under the Listing Rules and the award of the NC5 Foundation Contract constitutes a connected transaction of the Company.

So far as the Company is aware, no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the award of the NC5 Foundation Contract. Written independent Shareholders’ approval of the award of the NC5 Foundation Contract has been obtained from a closely allied group of Shareholders who together hold approximately 53.58% of the issued share capital of the Company as at the date of the Announcement (which is defined hereinbelow). An application for a waiver from the requirement to convene a Shareholders’ meeting under Rule 14A.43 of the Listing Rules has been made to the Stock Exchange by the Company and the Stock Exchange has granted the waiver, pursuant to Rule 14A.43 of the Listing Rules and no Shareholders’ meeting will be required to be convened for the approval of the Transaction.

LETTER FROM CIMB SECURITIES

The Independent Board Committee, comprising Sir Roger Lobo, Mr. Norman Ho and Mr. Charles Ho, being all the independent non-executive Directors, has been formed to consider and to advise the independent Shareholders on the award of the NC5 Foundation Contract.

In formulating our recommendation, we have relied on the information and facts contained or referred to in the Circular as well as the representations made or provided by the directors and senior management of the Company. The Directors have declared in a responsibility statement set out in the appendix to the Circular that they collectively and individually accept full responsibility for the accuracy of the information contained and representations made in the Circular. We have also assumed that the information and the representations made by the Directors as contained or referred to in the Circular were true and accurate at the time they were made and continue to be so at the date of the despatch of the Circular. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and senior management of the Company. We have also been advised by the Directors and believe that no material facts have been omitted from the Circular.

We consider that we have reviewed sufficient and relevant information and documents and have taken reasonable steps as required under Rule 13.80 of the Listing Rules including the notes thereto to reach an informed view, to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our recommendation. We have not, however, conducted an independent verification of the information nor have we conducted any form of in-depth investigation into the businesses and affairs or the prospects of the Company or any of their respective subsidiaries or associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion, we have considered the following principal factors and reasons:

1. **Background of and reasons for the transactions contemplated under the NC5 Foundation Contract**

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. NTU, the developer of the NC5 Mixed-Use Development, is an indirect wholly-owned subsidiary of the Company and is also engaged in property investment and development. Vibro is engaged in the business of provision of piling and foundation services for building construction and civil engineering projects.

The Company announced that on 6 January 2012, NTU entered into the NC5 Foundation Contract with Vibro, an indirect subsidiary of NWD, whereby Vibro is appointed as the contractor for the foundation works of the NC5 Mixed-Use Development (the “**Announcement**”). The contract sum of the NC5 Foundation Contract is MOP660 million (approximately HK\$641 million). As disclosed in the Company’s announcement dated 17 December 2010, Vibro was also appointed as the contractor for the foundation works of Nova City Phase 4 by the NC4 Foundation Contract with the contract sum of MOP185 million (approximately HK\$180 million).

LETTER FROM CIMB SECURITIES

The foundation works of NC5 Mixed-Use Development (the “**Project**”) is situated at Taipa, Macau, with total gross floor area of approximately 275,815 square metres. As noted from the annual report of the Company for the year ended 31 December 2010, Nova City in Taipa, in which the Company holds a 100% stake, is one of the largest luxury developments in Macau. The project in Nova City comprises upscale residential units, world-class landscaping and clubhouse facilities. Sales of the first three phases have generated strong public response. Phase 5 encompasses over 2.3 million square feet of well-appointed residences in eight towers. Below the apartment units will be a neighborhood shopping centre spanning approximately 650,000 square feet, housing a diversified range of tenants including supermarket, dining outlets, leisure retail and entertainment components to provide unparalleled convenience to residents. As disclosed in the Announcement, Foundation works for Phase 5 is expected to be completed in the third quarter of 2013.

In August 2011, the Company invited tenders for the NC5 Foundation Contract for the Project. Tenders were received from three construction companies, including Vibro. To the Directors’ best knowledge, information and belief and having made all reasonable enquiries, the tenderers, except Vibro, are independent third parties to and not connected to the Company, its subsidiaries and their respective associates. The Directors have confirmed to us that the tender requirements are on normal commercial terms and are identical to all invited tenderers and therefore the tender process is considered independent.

Our view

Given the above and the facts that (i) one of the principal businesses of the Group is property development; and (ii) Vibro is a foundation works contractor of Nova City Phase 4 and has possessed relevant and satisfactory experience in similar projects as considered by the Directors, we concur that the award of NC5 Foundation Contract are in the ordinary and usual course of business of the Group.

2. **Basis of determination**

We have discussed with the senior management of the Company that the NC5 Foundation Contract was awarded based on (i) the result of a selective tender process which takes into account of the technical competency and the tender sum; (ii) the professional advice from the independent quantity surveyor to the Project (the “**Independent Surveyor**”); and (iii) the recommendation of the independent engineer to the Project (the “**Independent Engineer**”).

We have reviewed tender report prepared by the Independent Surveyor and noted that (i) the Independent Surveyor has reviewed the three tender documents and assessed the tenders on financial and contractual perspective; (ii) Vibro submitted the lowest bid price amongst all three tenderers which is within the budget for the NC5 Foundation Contract; and (iii) the tender from Vibro was confirmed as contractually in order for acceptance. We have also reviewed a technical tender assessment report prepared by the Independent Engineer and noted that the Independent Engineer has studied all three tender documents and interviewed the three tenderers. The Independent Engineer is of the view that (i) Vibro complied with the technical issues as required in the Project and agreed to comply with the special conditions and requirements for the NC5

LETTER FROM CIMB SECURITIES

Foundation Contract; (ii) Vibro accepted the duration of the contract period as required by the Company; and (iii) Vibro has well-experienced technical persons and is capable to carry out the work thereunder the Project. We have also reviewed the qualifications and experience of Vibro and hence we concur with the Directors that Vibro demonstrated extensive construction experience and foundation services experience. Given that (a) both Vibro and Vibro (H.K.) Limited, the immediate holding company of Vibro, are subsidiaries of NWSH; and (b) NWSH is a Hong Kong listed company with market capitalisation of approximately HK\$42,921 million as at the Latest Practicable Date and a net asset value of approximately HK\$18,018 million as at 30 June 2011, the Directors consider that Vibro has sufficient financial resources to carry out and complete the NC5 Foundation Contract.

Our view

Taking into account the facts that (i) the NC5 Foundation Contract was awarded to Vibro based on the result of a selective tender process; (ii) the offer price submitted by Vibro was the most competitive among all the bids received for the NC5 Foundation Contract; (iii) the tenderers, except Vibro, are independent third parties to the Company; (iv) the tender from Vibro has been reviewed by the Independent Surveyor and was confirmed as contractually in order for acceptance; (v) Vibro demonstrated extensive construction experience and foundation services experience as confirmed by the Independent Engineer; and (vi) Vibro is the contractor for the foundation works of Nova City Phase 4 and has possessed relevant and satisfactory experience in similar projects as considered by the Directors, we are of the view that the tender process for the award of NC5 Foundation Contract is fair and reasonable and the award of NC5 Foundation Contract to Vibro is in the interests of the Company and its Shareholders as a whole.

RECOMMENDATION

Having taken into account the principal factors and reasons referred to above, we are of the view that the award of the NC5 Foundation Contract is in the ordinary and usual course of business of the Company, on normal commercial terms, on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend to the Shareholders to accept and to approve the Transaction.

Yours faithfully,
For and on behalf of

CIMB Securities (HK) Limited

Alex Lau
Head
Corporate Finance

Mabel Lam
Director
Corporate Finance

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(1) Disclosure of Directors' Interests

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company and their associates in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules ("Model Code"), were as follows:

(a) Interests of the Directors in Shares and Underlying Shares of the Company

Name of Director	Nature of interests	Number of Shares held				Approximate percentage of total issued Shares Note (i)
		Personal interests	Note	Corporate interests	Note	
Dr. Stanley Ho	Interests in unissued Shares	—		148,883,374	(iv)	6.85%
	Interests in underlying Shares	1,587,300	(ii)	—		0.07%
Sir Roger Lobo	Interests in underlying Shares	1,000,000	(ii)	—		0.05%
Mr. Norman Ho	Interests in underlying Shares	1,000,000	(ii)	—		0.05%
Mr. Charles Ho	Interests in underlying Shares	1,000,000	(ii)	—		0.05%
Dato' Dr. Cheng Yu Tung	Interests in underlying Shares	1,000,000	(ii)	—		0.05%
Mrs. Louise Mok	Interests in issued Shares	342,627		—		0.02%
	Interests in underlying Shares	1,000,000	(ii)	—		0.05%
Mr. Michael Ng	Interests in underlying Shares	10,069,707	(iii)	—		0.46%
Ms. Pansy Ho	Interests in issued Shares	47,087,604		228,217,184	(v)	12.67%
	Interests in unissued Shares	—		148,883,374	(iv)	6.85%
	Interests in unissued Shares	21,467,004	(viii)	257,437,646	(ix)	12.84%
	Interests in underlying Shares	10,157,740	(ii)	—		0.47%

Name of Director	Nature of interests	Number of Shares held				Approximate percentage of total issued Shares Note (i)
		Personal interests	Note	Corporate interests	Note	
Ms. Daisy Ho	Interests in issued Shares	48,625,811		97,820,707	(vi)	6.74%
	Interests in unissued Shares	—		148,883,374	(iv)	6.85%
	Interests in unissued Shares	22,793,831	(viii)	208,538,967	(ix)	10.65%
	Interests in underlying Shares	12,157,740	(ii)	—		0.56%
Ms. Maisy Ho	Interests in issued Shares	11,680,435		23,066,918	(vii)	1.60%
	Interests in unissued Shares	11,939,315	(viii)	8,650,094	(ix)	0.95%
	Interests in underlying Shares	20,157,740	(ii)	—		0.93%
Mr. David Shum	Interests in underlying Shares	5,000,000	(ii)	—		0.23%

Notes:

- (i) As at the Latest Practicable Date, the total number of issued Shares was 2,172,276,887.
- (ii) These represented the interests in underlying Shares in respect of share options granted by the Company, details of which are disclosed in sub-paragraph (2) headed “Share Options” below.
- (iii) These interests in underlying Shares comprised (a) 5,000,000 underlying Shares in respect of share options granted by the Company, details of which are disclosed in sub-paragraph (2) headed “Share Options” below; and (b) 5,069,707 Shares issuable to Mr. Michael Ng upon conversion of the Convertible Bonds (as defined hereunder in sub-paragraph (1)(d) headed “Interests of the Directors in Debentures of Subsidiaries of the Company”) for an aggregate nominal amount of HK\$40,000,000 held by him and based on the adjusted conversion price of HK\$7.89 per Share as at the Latest Practicable Date, details of which are disclosed in sub-paragraph (1)(d) headed “Interests of the Directors in Debentures of Subsidiaries of the Company” below.
- (iv) These 148,883,374 unissued Shares, of which Dr. Stanley Ho, Ms. Pansy Ho and Ms. Daisy Ho were deemed to be interested by virtue of the SFO, were the same parcel of Shares, and represented Shares to be issued to Alpha Davis Investments Limited (“Alpha Davis”) upon completion of the acquisition as described in the Company’s circular dated 17 December 2004. Alpha Davis is owned as to 47% by Innowell Investments Limited (“IIL”) and 53% by Megaproprosper Investments Limited (“Megaproprosper”). IIL is wholly owned by Dr. Stanley Ho. Megaproprosper is owned as to 51% by Ms. Pansy Ho, 39% by Ms. Daisy Ho and 10% by Ms. Maisy Ho.
- (v) These 228,217,184 Shares, of which Ms. Pansy Ho was deemed to be interested by virtue of the SFO, comprised 134,106,230 Shares held by Beeston Profits Limited (“BPL”) and 94,110,954 Shares held by Classic Time Developments Limited (“CTDL”). Both BPL and CTDL are wholly owned by Ms. Pansy Ho.
- (vi) These 97,820,707 Shares, of which Ms. Daisy Ho was deemed to be interested by virtue of the SFO, were held by St. Lukes Investments Limited, which is wholly owned by Ms. Daisy Ho.
- (vii) These 23,066,918 Shares, of which Ms. Maisy Ho was deemed to be interested by virtue of the SFO, were held by LionKing Offshore Limited, which is wholly owned by Ms. Maisy Ho.

(viii) These unissued Shares comprise the maximum number of Rights Shares undertaken for subscription by each of Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho under their respective personal interests pursuant to the Irrevocable Undertaking given by each of them and assuming the underlying Shares in relation to the share options granted by the Company to each of them individually have been issued on or before the Record Date to determine entitlements to the Rights Issue. Details of the proposed Rights Issue were disclosed in an announcement of the Company dated 19 January 2012 (“Rights Issue Announcement”). Capitalized terms used herein shall have the same meanings as defined in the Rights Issue Announcement.

(ix) These unissued Shares comprise the maximum number of Rights Shares undertaken for subscription by each of Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho under their respective corporate interests pursuant to the Irrevocable Undertaking given by each of them and the maximum number of Rights Shares underwritten by Megaprospers pursuant to the Underwriting Agreement entered into by Megaprospers (which are deemed to be interested by Ms. Pansy Ho and Ms. Daisy Ho) in relation to a proposed Rights Issue of the Company. Details of which were disclosed in the Rights Issue Announcement.

(b) *Interests of the Directors in Shares and Underlying Shares of Subsidiaries of the Company*

Name of Director	Name of subsidiary	Corporate interests	Percentage of total
			issued shares <i>Note (i)</i>
Dr. Stanley Ho	Shun Tak Cultural Centre Limited	4 ordinary shares	40%

Note:

(i) There was a total of 10 ordinary shares of Shun Tak Cultural Centre Limited in issue.

(c) *Interests of the Directors in Shares and Underlying Shares of Other Associated Corporations of the Company*

Name of Director	Name of subsidiary	Corporate interests	Percentage of total
			issued shares <i>Note (i)</i>
Ms. Pansy Ho	Shun Tak & CITS Coach (Macao) Limited	750 shares	15%

Note

(i) There was a total of 5,000 shares of Shun Tak & CITS Coach (Macao) Limited in issue.

(d) *Interests of the Directors in Debentures of Subsidiaries of the Company*

Name of Director	Name of subsidiary	Personal interests	Approximate percentage of aggregate nominal amount of the Convertible Bonds in issue <i>Note (i)</i>
Mr. Michael Ng	Joyous King Group Limited	HK\$40,000,000 <i>Note (ii)</i>	2.58%

Notes:

- (i) As at the Latest Practicable Date, 3.3% guaranteed convertible bonds due 2014 for an aggregate nominal amount of HK\$1,550,000,000 were issued by Joyous King Group Limited, a wholly owned subsidiary of the Company (the “Convertible Bonds”).
- (ii) These Convertible Bonds for an aggregate nominal amount of HK\$40,000,000 held by Mr. Michael Ng would be convertible into 5,069,707 Shares, representing approximately 0.23% of the issued share capital of the Company, at the adjusted conversion price of HK\$7.89 per Share during the conversion period from 22 October 2010 to 15 October 2014 subject to the terms and conditions of the Convertible Bonds. These interests duplicate Mr. Michael Ng’s interests in underlying Shares as disclosed in sub-paragraph (1)(a) headed “Interests of the Directors in Shares and Underlying Shares of the Company” above.

All the interests disclosed in sub-paragraphs (1)(a) to (1)(d) above represented long position interests in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO).

As at the Latest Practicable Date, save as disclosed in sub-paragraphs (1)(a) to (1)(d) above, none of the Directors or chief executive of the Company or any of their associates had or were deemed to have any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(2) Share Options

As at the Latest Practicable Date, details of outstanding share options held by the Directors under the share option scheme of the Company adopted on 31 May 2002 were as follows:

Name of Director	Note	Date of grant	Exercise period	Exercise price per Share (HK\$)	Number of share options outstanding as at the Latest Practicable Date
Dr. Stanley Ho	(i)	25 May 2004	25 May 2004 to 24 May 2014	3.15	1,587,300
Ms. Pansy Ho	(i)	25 May 2004	25 May 2004 to 24 May 2014	3.15	10,157,740
Ms. Daisy Ho	(i)	25 May 2004	25 May 2004 to 24 May 2014	3.15	12,157,740
Ms. Maisy Ho	(i)	25 May 2004	25 May 2004 to 24 May 2014	3.15	20,157,740
Mr. David Shum	(i)	22 September 2004	22 September 2004 to 21 September 2014	4.20	5,000,000
Mr. Michael Ng	(ii)	1 February 2010	1 April 2010 to 31 January 2015	4.68	2,500,000
	(iii)	1 February 2010	1 April 2011 to 31 January 2015	4.68	2,500,000
Sir Roger Lobo	(i)	29 March 2011	29 March 2011 to 27 March 2021	4.37	1,000,000
Mr. Norman Ho	(i)	29 March 2011	29 March 2011 to 27 March 2021	4.37	1,000,000
Mr. Charles Ho	(i)	29 March 2011	29 March 2011 to 27 March 2021	4.37	1,000,000
Dato' Dr. Cheng Yu Tung	(i)	29 March 2011	29 March 2011 to 27 March 2021	4.37	1,000,000
Mrs. Louise Mok	(i)	29 March 2011	29 March 2011 to 27 March 2021	4.37	1,000,000

Notes:

- (i) These share options are exercisable during a period of 10 years commencing from their respective dates of grant. These share options were vested on their respective dates of grant.
- (ii) These share options were vested on 1 April 2010.
- (iii) These share options were vested on 1 April 2011.

(3) Substantial Shareholders and Other Persons

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company, the following persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests or short positions in shares required to be kept by the Company under section 336 of the SFO:

Name of Shareholder	Note	Nature of interests	Capacity	Long position/ short position	Number of Shares/ underlying Shares held	Approximate percentage of total issued Shares <i>Note (i)</i>
Hanika Realty Company Limited (“Hanika”)	(ii)	Interests in issued Shares	Beneficial owner	Long position	399,502,244	18.39%
Ranillo Investments Limited (“Ranillo”)	(ii)	Interests in issued Shares	Interests of controlled corporation	Long position	399,502,244	18.39%
Shun Tak Shipping Company, Limited (“STS”) and its subsidiaries	(iii)	Interests in issued Shares	Beneficial owner and interests of controlled corporation	Long position	308,057,215	14.18%
Alpha Davis Investments Limited (“Alpha Davis”)	(iv)	Interests in unissued Shares	Beneficial owner	Long position	148,883,374	6.85%
Innowell Investments Limited (“IIL”)	(iv)	Interests in unissued Shares	Interests of controlled corporation	Long position	148,883,374	6.85%
Megaprospers Investments Limited (“Megaprospers”)	(iv)	Interests in unissued Shares	Interests of controlled corporation	Long position	148,883,374	6.85%
	(vi)	Interests in unissued Shares	Beneficial owner	Long position	171,856,203	7.91%
Beeston Profits Limited (“BPL”)	(v)	Interests in issued Shares	Beneficial owner	Long position	134,106,230	6.17%
HSBC Holdings plc. and its controlled corporations		Interests in issued Shares	Interests of controlled corporation	Long position	551,822	0.02% <i>note (vii)</i>
	(vii)	Interests in unissued Shares	Interests of controlled corporation	Long position	343,307,932	9.69% <i>note (vii)</i>

Notes:

- (i) As at the Latest Practicable Date, the total number of issued Shares was 2,172,276,887.
- (ii) Ms. Pansy Ho and Ranillo have 14.2% and 71.5% voting rights of Hanika respectively. Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho have beneficial interests in Ranillo. Accordingly, the interests of Ranillo in the Company duplicate the interests of Hanika in the Company as described above. Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho are directors of Hanika. Ms. Pansy Ho and Ms. Daisy Ho are directors of Ranillo.
- (iii) Dr. Stanley Ho is a director of STS, Dato' Dr. Cheng Yu Tung, Ms. Pansy Ho and Ms. Daisy Ho have beneficial interests in and are directors of STS. Mrs. Louise Mok, Ms. Maisy Ho and Mr. David Shum have beneficial interests in STS.
- (iv) Alpha Davis is entitled to the interests in 148,883,374 unissued Shares which will be issued upon completion of the acquisition as described in the Company's circular dated 17 December 2004. Alpha Davis is owned as to 47% by IIL and 53% by Megaprospers. IIL is wholly owned by Dr. Stanley Ho. Megaprospers is owned as to 51% by Ms. Pansy Ho, 39% by Ms. Daisy Ho and 10% by Ms. Maisy Ho. Accordingly, the interests of IIL and Megaprospers in the Company duplicate the interests of Alpha Davis in the Company as described above. Dr. Stanley Ho is a director of Alpha Davis and IIL. Ms. Pansy Ho and Ms. Daisy Ho are directors of Alpha Davis, IIL and Megaprospers.
- (v) Ms. Pansy Ho has 100% interests in and is a director of BPL.
- (vi) These unissued Shares comprise the maximum number of Rights Shares underwritten for subscription by Megaprospers pursuant to the Underwriting Agreement entered into by Megaprospers, details of which were disclosed in the Company's announcement dated 19 January 2012 ("Rights Issue Announcement") in relation to a proposed Rights Issue of Rights Shares. Capitalized terms used herein shall have the same meanings as defined in the Rights Issue Announcement.
- (vii) These unissued Shares comprise the aggregate of (a) the interests in unissued Shares which will be issued upon completion of the proposed Rights Issue of Rights Share; and (b) the maximum number of Rights Shares underwritten for subscription by The Hongkong and Shanghai Banking Corporation Limited ("HSBC") pursuant to the Underwriting Agreement entered into by HSBC, details of which were also disclosed in the Rights Issue Announcement. The approximate percentage of total issued Shares is based on the maximum number of the Company's enlarged issued shares of 3,542,923,979 assuming Shares have been allotted and issued before the Record Date pursuant to the full exercise of all outstanding Conversion and Subscription Rights and the issuance of the Consideration Shares but otherwise no other Shares (other than the Rights Shares) are allotted and issued on or before completion of the Rights Issue. Capitalized terms used herein shall have the same meanings as defined in the Rights Issue Announcement.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, no other persons (not being a Director or chief executive of the Company) had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, the Directors named in the paragraphs below were considered to have interests in the following businesses, which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

Dr. Stanley Ho has beneficial interests in Melco International Development Limited which is also engaged in the businesses of property investment and/or hospitality.

Dr. Stanley Ho is a director of and has beneficial interests in Shun Tak Centre Limited (“STC”) which is also engaged in the business of property investment. Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho and Mr. David Shum are also directors of STC.

Dr. Stanley Ho is director of and has beneficial interests in Sociedade de Turismo e Diversões de Macau, S.A. (“STDM”) which is also engaged in the businesses of property investment, property development and/or hospitality. Ms. Pansy Ho is an appointed representative of the Company, a corporate director of STDM. Ms. Daisy Ho is an appointed representative of Lanceford Company Limited, a corporate director of STDM. Mr. David Shum is an appointed representative of Interdragon Limited, a corporate director of STDM.

Dato’ Dr. Cheng Yu Tung is a director of New World Development Company Limited, Chow Tai Fook Enterprises Limited, Melbourne Enterprises Limited and Lifestyle International Holdings Limited, which are also engaged in the businesses of property investment, property development, property management, transportation services and/or hospitality.

The above-mentioned competing businesses are managed by separate entities with independent management and administration. The Directors are of the view that the Group is capable of carrying on its businesses independently of, and at arm’s length from, the businesses of these entities. When making decisions, the relevant Directors, in performance of their duties as Directors of the Company, have acted and will continue to act in the best interests of the Group.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or their respective associates had any interest in any company or business which competes or may compete with the business of the Group.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group which does not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS’ INTERESTS IN ASSETS AND OTHER INTERESTS

- (a) Pursuant to a master leasing agreement (the “STDM Master Leasing Agreement”) dated 4 February 2010 entered into between the Company and STDM, a company in which Dr. Stanley Ho, Dato’ Dr. Cheng Yu Tung, Mrs. Louise Mok, Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho and Mr. David Shum have beneficial interests, the Group has agreed to continue to lease certain premises and may further lease additional premises from the STDM group. An announcement was made by the Company on 4 February 2010 in this respect. Since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up, a new tenancy agreement was entered into by the Group as tenant and the STDM group as landlord under the STDM Master Leasing Agreement.

- (b) Pursuant to a master leasing agreement (the “STC Master Leasing Agreement”) dated 4 February 2010 entered into between the Company and STC, a company in which Dr. Stanley Ho, STDM and NWD have beneficial interests, the Group has agreed to continue to lease certain premises and may further lease additional premises from STC. An announcement was made by the Company on 4 February 2010 in this respect. Since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up, two new tenancy agreements were entered into between the Group as tenant and STC as landlord under the STC Master Leasing Agreement.
- (c) Pursuant to an agreement dated 11 August 2011 between Shun Tak — China Travel Shipping Investments Limited (“STCTS”), a non wholly-owned subsidiary of the Company, and New World First Holdings Limited (the “Vendor”), STCTS agreed to acquire the entire issued share capital of New World First Ferry Services (Macau) Limited (“NWFF”) and New Ferry — Transporte Marítimo de Passageiros (Macau), Limitada (“NFTMP”) and the shareholder’s loans advanced to NWFF, for a consideration of HK\$350 million (subject to adjustment). NWFF and NFTMP were wholly owned subsidiaries of the Vendor, which is in turn an associate of NWD, prior to completion of the acquisition. The acquisition was completed on 30 September 2011. An announcement was made by the Company on 11 August 2011 and a circular was issued to the Shareholders on 1 September 2011 in relation to the acquisition.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up.

6. DIRECTORS’ INTERESTS IN CONTRACTS AND ARRANGEMENTS

- (a) Pursuant to the fuel arrangement extension agreement entered into between STCTS and STDM on 28 October 2010, STDM supplies and loads fuel into STCTS’s vessels at the Macau Outer Harbour Terminal. STCTS purchased approximately HK\$282.7 million of fuel from the STDM group for the year ended 31 December 2010 for its Macau shipping operations. The price of fuel was determined with reference to its market price plus a small handling charge.
- (b) Pursuant to the ticket arrangement extension agreement entered into between STCTS and STDM on 28 October 2010, STDM acts as the agent of STCTS for sale of ferry tickets for which it received HK\$18.7 million in commission for the year ended 31 December 2010. The commission was calculated at 5% of the total net ticket sales generated by STDM as agent (less any discounts and concessions on ferry tickets agreed by STCTS and any tax, fees and levies paid thereon to any government or ferry terminal operator). Under the said agreement, STDM purchases ferry tickets from STCTS with a discount up to a maximum of 12% (depending on the volume of the bulk purchases) for its own use. For the year ended 31 December 2010, STDM purchased approximately HK\$153.9 million (net of discount) of ferry tickets from STCTS.

- (c) Pursuant to the master property services agreement entered into between the Company and STDM on 4 February 2010, the Group provides property related services to the STDM group, including sale, leasing, project management, property management, property cleaning and other property related services for the properties as designated by the STDM group and agreed by the Group from time to time. An announcement was made by the Company on 4 February 2010 in this respect. During the year ended 31 December 2010, the aggregate service fees received by the Group from the STDM group under the master property services agreement (including service fees received for the operation and property management of the Macau Tower Convention & Entertainment Centre) amounted to approximately HK\$23.8 million.
- (d) Pursuant to the renewed master service agreement entered into between the Company and MGM Grand Paradise Limited (“MGM”) on 8 October 2010, a company in which Ms. Pansy Ho, a director and a substantial shareholder, has indirect beneficial interest, the Group may provide/demand services to/ from the MGM group from time to time on a non-exclusive basis, including but not limited to sale of ferry tickets to the MGM group, sale of travel products to the MGM Group, rental of hotel rooms to the MGM group, provision of laundry service to the MGM group, provision of advertising services to the MGM group, provision of property cleaning services to the MGM group and rental of guestrooms at the MGM Grand Macau Hotel to the Group. An announcement was made by the Company on 8 October 2010 in this respect. During the year ended 31 December 2010, aggregate revenue received by the Group from the MGM group and the aggregate expenses paid by the Group to the MGM group for agreements made under such renewed master service agreement amounted to approximately HK\$61.6 million and HK\$0.8 million respectively.
- (e) Pursuant to an agreement between Pat Soi, Limitada (currently known as Shun Tak Nam Van Investment Limited) (“STNV”, and a wholly owned subsidiary of the Company) and Sai Wu Investimento Limitada (a company in which Dr. Stanley Ho has beneficial interest), STNV has conditionally agreed to purchase the entire issued share capital of certain companies which will at the time of completion of the acquisition hold the land development right in respect of certain parcels of land in Macau. The consideration for the acquisition is HK\$1,500 million which will be satisfied as to HK\$750 million in cash and as to the balance by the issuance of Shares to Alpha Davis Investments Limited (“Alpha Davis”), a company in which each of Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho and Ms. Maisy Ho has a beneficial interest. Pursuant to an agreement between the vendor and the purchaser dated 30 December 2010, the completion date of the acquisition has been further extended to on or before 30 June 2012. The Company has issued various announcements (the latest one was issued on 30 December 2010) and a circular to Shareholders dated 17 December 2004 in relation to this acquisition.
- (f) Pursuant to an underwriting agreement entered into among the Company, The Hongkong and Shanghai Banking Corporation Limited (“HSBC”), Platinum Securities Company Limited (“Platinum Securities”) and Megaprosper Investments Limited (“Megaprosper”) on 19 January 2012 in respect of a proposed rights issue stated in the announcement of the Company dated 19 January 2012, Megaprosper, being one of the joint underwriters and owned as to 51% by Ms. Pansy Ho, 39% by Ms. Daisy Ho and 10% by Ms. Maisy Ho, has

agreed to underwrite the first portion of such number of rights shares not taken up by the Shareholders by way of their rights entitlements which is up to the rights shares provisionally allotted to but not taken up by STS, Mrs. Louise Mok and Alpha Davis, or their respective nominees (as the case may be) in return for an underwriting commission of 2.75%.

Save for the contracts disclosed in this section, none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up.

8. EXPERT AND CONSENT

- (a) The following is the qualification of the expert who has given an opinion, letter or advice which are contained in this circular:

Name	Qualification
CIMB Securities	a licensed corporation under the SFO licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

- (b) As at the Latest Practicable Date, CIMB Securities did not have any shareholding interest in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member of the Group.
- (c) As at the Latest Practicable Date, CIMB Securities did not have a direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up.
- (d) CIMB Securities has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it is included.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's registered office at Penthouse 39th Floor, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong from 10:00 a.m. to 1:00 p.m. and from 2:00 p.m. to 5:30 p.m., Mondays to Fridays (except public holidays), from the date of this circular up to and including 15 February 2012:

- (a) the NC5 Foundation Contract;
- (b) the sale and purchase agreement dated 11 August 2011 entered into between STCTS (as purchaser) and New World First Holdings Limited (as vendor) in relation to acquisition of passenger ferry business;
- (c) the STD M Master Leasing Agreement dated 4 February 2010 entered into between the Company and STD M;
- (d) the STC Master Leasing Agreement dated 4 February 2010 entered into between the Company and STC;
- (e) the fuel arrangement extension agreement dated 28 October 2010 entered into between STCTS and STD M;
- (f) the ticket arrangement extension agreement dated 28 October 2010 entered into between STCTS and STD M;
- (g) the master property services agreement dated 4 February 2010 entered into between the Company and STD M;
- (h) the renewed master service agreement dated 8 October 2010 entered into between the Company and MGM;
- (i) the agreement dated 30 December 2010 between STNV and Sai Wu Investimento Limitada in relation to the extension of the completion date of the acquisition of the development right in respect of certain land parcels in Macau; and
- (j) the underwriting agreement dated 19 January 2012 entered into among the Company, HSBC, Platinum Securities and Megaproper.

10. GENERAL

- (a) The secretary of the Company is Ms. Tsang Mei Chu, Angela. She is an associate member of The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (b) This circular has been prepared in both English and Chinese. In the case of any discrepancy, the English language text of this circular shall prevail.