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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>

INVESTMENT IN JETSTAR HONG KONG

This announcement is made by the Company pursuant to Part XIVA of the SFO and Rule pursuant to Rule 13.09(2)(a) of the Listing Rules.

The Board is pleased to announce that on 5 June 2013, GHI (a wholly-owned subsidiary of the Company) has entered into a legally-binding restated and amended shareholders' agreement with EAO (a wholly-owned Hong Kong-based subsidiary of CEA), JIGH (a wholly-owned Hong Kong-based subsidiary of Qantas) and Jetstar Hong Kong, regarding its 1/3 equity investment in Jetstar Hong Kong, with its portion of total capital contribution up to US\$66 million (equivalent to approximately HK\$515 million). Subject to the obtaining of all relevant applicable government and regulatory approvals (including local governmental approvals/licenses for operating a Hong Kong airline), Jetstar Hong Kong will be operating a Hong Kong-based, Jetstar-branded low cost carrier serving Hong Kong and other destinations in Asia Pacific.

This announcement is made by Shun Tak Holdings Limited (the "**Company**") pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571) ("**SFO**") and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

INVESTMENT IN JETSTAR HONG KONG

The board of directors (the “**Board**”) of the Company is pleased to announce that on 5 June 2013, Go Harvest Investments Limited (“**GHI**”) (a wholly-owned subsidiary of the Company) has entered into a legally-binding restated and amended shareholders’ agreement (the “**Restated and Amended Shareholders’ Agreement**”) regarding its 1/3 equity investment in Jetstar Hong Kong Airways Limited (“**Jetstar Hong Kong**”), with its portion of total capital contribution up to US\$66 million (equivalent to approximately HK\$515 million).

The principal terms of the Restated and Amended Shareholders’ Agreement are set out as follows:

Date	5 June 2013
Parties	<ol style="list-style-type: none">(1) Jetstar International Group Holdings Co. Limited (“JIGH”) (a wholly-owned Hong Kong-based subsidiary of Qantas Airways Limited (“Qantas”))(2) Eastern Air Overseas (Hong Kong) Corporation Limited (“EAO”) (a wholly-owned Hong Kong-based subsidiary of China Eastern Airlines Corporation Limited, a joint stock limited company incorporated in the People’s Republic of China whose H shares are listed on the Stock Exchange of Hong Kong Limited (stock code : 00670) (“CEA”))(3) GHI(4) Jetstar Hong Kong (being the joint venture entity established by JIGH and EAO in 2012 and held in equal shares for the purpose of operating the Jetstar-branded low cost carrier business pursuant to the shareholders’ agreement dated 24 August 2012 and between them (the “Existing Shareholders’ Agreement”))

To the best of the knowledge, information and belief of the directors of the Company (the “**Directors**”), and having made all reasonable enquiries, each of JIGH and EAO and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Business	Subject to the obtaining of all relevant applicable government and regulatory approvals (including local governmental approvals/licenses for operating a Hong Kong airline), Jetstar Hong Kong will be operating a new Hong Kong-based, Jetstar-branded low cost carrier serving Hong Kong and other destinations in Asia Pacific.
Parties' respective Shareholding Percentages	Jetstar Hong Kong shall be held by GHI, EAO and JIGH equally such that each party will be holding 33 1/3% shareholding interest.
Purpose	The purpose of the Restated and Amended Shareholders' Agreement is to regulate the shareholders' rights and obligations regarding the governance and affairs of Jetstar Hong Kong after adding the Company through GHI as a new strategic shareholder of Jetstar Hong Kong and will supersede the Existing Shareholders' Agreement.
Place of Incorporation And Principal Place of Business	Jetstar Hong Kong is incorporated in Hong Kong and has its principal place of business in Hong Kong.
Share Capital	Jetstar Hong Kong has a paid up capital of US\$62.7 million (initially funded by JIGH and EAO in equal shares). Its share capital will subsequently be increased up to a maximum of US\$198 million (or equivalent HK dollars) and will be contributed equally by GHI, EAO and JIGH in cash in tranches. The Company shall initially contribute US\$31.35 million (equivalent to approximately HK\$245 million) within 10 business days after signing of the Restated and Amended Shareholders' Agreement, subject to completion of necessary filings with relevant governmental authorities. The next tranche of capital injection will be contributed by the parties in equal shares, subject to satisfaction of certain conditions precedent (including the obtaining of local governmental approvals/licenses for operating a Hong Kong airline) by an agreed

long-stop date. The last tranche payment (to be contributed by the parties in equal shares) will be made subsequent to the aforesaid tranche after certain notice period.

The Company's share of the total capital contribution to Jetstar Hong Kong will be funded from its internal resources and/or existing bank borrowings. Jetstar Hong Kong will be accounted for by the Company under the equity method of accounting.

Initial Fleet Plan

The initial fleet plan comprises the acquisition and/or leasing of 18 Airbus A320s over the first three years of operation of Jetstar Hong Kong.

Guarantee

The Company, CEA and Qantas shall guarantee the respective obligations of GHI, EAO and JIGH respectively under the Restated and Amended Shareholders' Agreement.

REASONS FOR ENTERING INTO THE RESTATED AND AMENDED SHAREHOLDERS' AGREEMENT

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. The Jetstar group (a low-cost carrier division of Qantas) is made up of Jetstar Airways in Australia and New Zealand, Jetstar Asia in Singapore, Jetstar Pacific in Vietnam, Jetstar Japan and Jetstar Hong Kong (subject to regulatory approval). The Jetstar group is one of the leading low-cost carriers in the Asia Pacific region. CEA is principally engaged in the business of civil aviation and is one of the leading airlines in the People's Republic of China

The low cost carrier market in Hong Kong has significant existing potential and room for growth, which provides the Company with opportunities for establishing a locally-based low cost carrier and developing the businesses in low cost carrier. The Company's investment in the low cost carrier business through Jetstar Hong Kong will take advantage of Jetstar group's rich experience in low cost carrier operations and industry experience of both CEA and Qantas. It will lay a foundation for the Company in establishing broader cooperation and future development with partners in the aviation industry.

The Company believes that the low cost carrier business is an effective carrier model expected to stimulate new demand for the leisure traveling market which in turn will enhance inflow of visitors to the Pearl River Delta region (including Macau) and is expected to create synergies with the Company's hospitality businesses. Having regard to the above, the Directors consider that the terms of the Restated and Amended Shareholders' Agreement are fair and reasonable and in the interest of the Company and its shareholders as a whole.

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of US\$1.0 to HK\$7.8. Such exchange rate has been used, where applicable, for purposes of illustration only and does not constitute a representation that any amounts were or may have been exchanged at these or any other rates or at all.

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

Hong Kong, 5 June 2013

As at the date of this announcement, the executive Directors are Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, Mr. David Shum and Mr. Rogier Verhoeven; the non-executive Directors are Dato' Dr. Cheng Yu Tung and Mrs. Louise Mok; and the independent non-executive Directors are Sir Roger Lobo, Mr. Norman Ho, Mr. Charles Ho and Mr. Michael Ng.