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星晨集團有限公司*

Morning Star Resources Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 542)

**DISCLOSEABLE TRANSACTION
RELATING TO THE PROVISION OF LOAN**

The Board announced that on 21 March 2012 (after trading hours), the Lender, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a loan of up to HK\$50,000,000 for a period of twelve months from the date of drawdown at an interest rate of 8% per annum. The Loan is secured by a Guarantee.

As certain relevant applicable percentage ratios in respect of the Loan are more than 5% but less than 25% under the Listing Rules, the provision of Loan constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

THE LOAN AGREEMENT

Date : 21 March 2012

Lender : Morning Star Foreign Exchange Limited, a wholly-owned subsidiary of the Company

Borrower : STI Wealth Management (Cayman) Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower and the Guarantor are independent third parties and not connected with any director, chief executive, substantial shareholder of the Company or any of its subsidiaries or an associate (as defined in the Listing Rules) of any of them.

* For identification purposes only

Principal terms of the Loan Agreement

- Amount of the Loan : HK\$50,000,000
- Term : Twelve months commencing from the date of drawdown
- Purpose : The Directors understand that the Loan is intended for the working capital of the Borrower
- Interest : 8% per annum
- Repayment : The outstanding principal amount of the Loan shall be repaid on the date falling twelve months from the date of drawdown
- Interest on the outstanding amount of the Loan shall be repayable on a monthly basis and shall be calculated on the basis of the actual number of days of each month
- Security for the Loan : Guarantee

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. The Loan will be funded from internal resources of the Group. The Directors consider that the transactions contemplated under the Loan Agreement are on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole after having considered the prevailing market borrowing rates quoted by commercial banks in Hong Kong.

Information on the Group

The Group is principally engaged in the provision of travel and travel-related services and property development business. The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending services.

Information on the Borrower

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the principal activity of the Borrower is the holding company for offshore wealth management businesses. The material assets of the Borrower consist of its interest in listed securities and funds.

Reasons for provision of the Loan

The provision of the Loan is a transaction carried out as a part of the ordinary and usual course of business activities of the Lender.

The Loan will provide interest income to the Lender and will be recorded as loan receivables of the Group.

The Directors consider that the provision of the Loan will result in a reasonable interest return to the Group. The Directors consider that the provision of the Loan is in the interest of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As certain relevant applicable percentage ratios in respect of the provision of the Loan are more than 5% but less than 25% under the Listing Rules, the provision of Loan constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Borrower”	STI Wealth Management (Cayman) Limited, a company incorporated in Cayman Islands with limited liability
“Company”	Morning Star Resources Limited, a company incorporated in Cayman Islands with limited liability whose issued Shares are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	a personal guarantee executed by the Guarantor, Mr. Chong Tin Lung, Benny in favour of the Lender in respect of the Loan
“Guarantor”	the guarantor under the Loan Agreement, Mr. Chong Tin Lung, Benny
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Morning Star Foreign Exchange Limited, a company incorporated in Hong Kong Special Administrative Region with limited liability and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Loan”	the term loan in the amount of HK\$50,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 21 March 2012 entered into between the Lender and the Borrower relating to the granting of the Loan
“PRC”	People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
Morning Star Resources Limited
CHI Chi Hung, Kenneth
Executive Director

Hong Kong, 21 March 2012

As at the date of this announcement, the board comprises Mr. SUNG Wai Man, Peter, Mr. CHI Chi Hung, Kenneth and Mr. Yeung Kwok Leung, being the Executive Directors; Mr. TSO Shiu Kei, Vincent, being the Non-Executive Directors; and Ms. CHAN Hoi Ling, Ms. SO Wai Lam and Mr. SUNG Yat Chun, being the independent Non-Executive Directors.