

For Immediate Release

**Shun Tak Holdings Limited participates
in a US\$1.2 Billion Joint Venture Vehicle with First Close of US\$500 Million
to Invest in HSR Healthcare Integrated Mixed-Use Developments in China**

Hong Kong, 3 January 2018 – Shun Tak Holdings Limited (“Shun Tak” or “The Group”, HKEX stock code: 242) is pleased to announce that it is entering a joint venture agreement, through its indirect wholly-owned subsidiary, Wise Horizon Developments Limited, with a consortium of investors to invest in, acquire and develop large scale and predominantly healthcare integrated mixed-use developments in mainland China with close proximity to high speed railway (“HSR”) stations. The Joint Venture Vehicle comprises a capital investment of up to US\$1.2 Billion with first close of US\$500 million (approximately HKD\$3,900 million).

The Joint Venture Vehicle, Perennial HC Holdings Pte. Ltd., is established by Perennial Real Estate Holdings Limited (“Perennial”), which holds a 45% majority stake. The remaining stakes are held by a consortium of partners comprising Shun Tak with a 30% stake, Bangkok Bank Public Company Limited with a 10% stake, BreadTalk Group Limited with a 5% stake, and some other partners who collectively hold a 10% stake.

As such, the Group’s committed investment amount for the first investment tranche is USD150 million (approximately HKD1,170 million). It will finance its portion of capital commitment through working capital and bank loans at corporate level.

Positioned as one-stop regional healthcare hubs, HSR Healthcare Integrated Mixed-use Developments are expected to be located in tier one or strong tier two cities in China with close proximity to transportation hubs, particularly high speed railway stations. They will become hosts to core medical/healthcare facilities such as specialized hospitals, medical centres and eldercare homes. It will also comprise other real estate components including hotels, retail, serviced apartments, offices, and small office home offices to support customers, healthcare professionals, as well as other local and international tourists.

Under the agreement, Perennial and Shun Tak will also set-up (i) an asset and project management company and (ii) a hotel management company, to manage the asset, project and hotel management aspects of the HSR Healthcare Integrated Mixed-Use Developments.

The Group perceives this as an excellent opportunity to expand and diversify its property investment portfolio through capitalizing upon the growing healthcare industry in China. By investing in strategic locations along high-speed railway stations that enjoy superior connectivity within PRC, the Group is entering the healthcare market with a highly experienced partner who possesses a strong development track record and tenant network for healthcare real estates. The joint venture will allow the Group to harness capital appreciation potentials over the long run, and its hospitality business will also benefit from the partnership as an extended provision for properties to be acquired or developed.

"Over the past years, the Group has strategically entered the PRC real estate market through investments in integrated projects with retail, tourism and cultural concepts. This year, we are adding healthcare, a fast-growing and resilient sector, as a new dimension to our portfolio." remarked Ms. Pansy Ho, Group Executive Chairman and Managing Director of Shun Tak Holdings Limited. "As a Group, we have driven our growth in parallel with China's national development plans in order to create win-win values for both our shareholders and our communities. We are delighted that our long term trusted partners, led by Perennial, have the vision and established networks to complement our initiatives. We look forward to contributing our project management and hospitality experiences to future projects, so that fellow citizens and foreign visitors can enjoy easy access to quality medical care with contemporary ancillary services that complete their needs."

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