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SINO GOLF HOLDINGS LIMITED
順龍控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00361)

ANNOUNCEMENT PURSUANT TO RULE 3.7
OF THE TAKEOVERS CODE

This announcement is made pursuant to Rule 3.7 of The Code on Takeovers and Mergers (the “**Takeovers Code**”), Rule 13.09 of the Rules Governing The Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

THE MEMORANDUM OF UNDERSTANDING

The board of directors (the “**Board**”) of Sino Golf Holdings Limited (the “**Company**”, together its subsidiaries, the “**Group**”) was informed by CM Investment Company Limited (“**CM Investment**”), the controlling shareholder of the Company, that CM Investment and Fortune Belt Limited (collectively, the “**Selling Shareholders**”) entered into a memorandum of understanding (the “**MOU**”) on 15 September 2014 (after trading hours) with an independent third party not connected with the Company, its directors, chief executive, substantial shareholders, subsidiaries and associates (the “**Potential Purchaser**”) regarding the possible sale and purchase of the 287,074,657 shares of HK\$0.10 each in issue (the “**Share(s)**”) of the Company held by the Selling Shareholders (the “**Possible Transaction**”), which, as at the date of this announcement, represented approximately 62.4% of the entire issued share capital of the Company.

According to the terms of the MOU, the Potential Purchaser will be entitled to perform due diligence review on the Group during the period of two months from the date of the MOU. The MOU also provides that subject to the entering into of a formal legally-binding sale and purchase agreement in relation to the Possible Transaction, the Company will conduct a group reorganisation such that upon

* *For identification purpose only*

completion of the reorganisation, the Company will hold only the business of manufacture and trading of golf bags (the “**Golf Bags Business**”), whilst the businesses other than the Golf Bags Business will be excluded from the Group.

Save for certain provisions relating to costs and confidentiality, other terms of the MOU do not constitute legally-binding commitment in respect of the Possible Transaction. The Possible Transaction will be subject to the execution of the formal sale and purchase agreement.

If the Possible Transaction materialises, it will lead to a change in control of the Company and a mandatory unconditional general offer under Rule 26.1 of the Takeovers Code. The Board was informed by CM Investment that, as at the date of this announcement, no formal agreements had been entered into in respect of the Potential Transaction, and the discussion are still in progress and the Potential Transaction may or may not proceed.

As at the date of this announcement, the Company has 460,050,000 Shares and 8,000,000 outstanding options which confer rights to option holders to subscribe for 8,000,000 new Shares. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date hereof.

MONTHLY UPDATE

In accordance with Rule 3.7 of the Takeovers Code, monthly announcement(s) will be made until announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

DEALING DISCLOSURE

For the purposes of the Takeovers Code, the offer period is deemed to commence on the date of this announcement, being 15 September 2014.

The associates (as defined in the Takeovers Code, including but not limited to any person holding 5% or more of a class of relevant securities of the Company) of the Company and the Potential Purchaser as well as its associates (as defined in the Takeovers Code) are hereby reminded to disclose their dealings in the relevant securities of the Company under Rule 22 of the Takeovers Code.

RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

WARNINGS: There is no assurance that the Possible Transaction will materialise or eventually be consummated and the relevant discussions may or may not lead to a general offer under Rule 26.1 of Takeovers Code. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional adviser(s).

By order of the Board of
Sino Golf Holdings Limited
Chu Chun Man, Augustine
Chairman

Hong Kong, 15 September 2014

As at the date hereof, the Board comprises 6 directors, of which 3 are executive directors, namely Mr. CHU Chun Man Augustine, Mr. CHU Yuk Man Simon and Mr. CHANG Hua Jung, and the rest of 3 are independent non-executive directors, namely Mr. CHOY Tak Ho, Ms. CHIU Lai Kuen Susanna and Mr. ZHU Shengli.

The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.