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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)**

### **LETTER OF INTENT IN RELATION TO THE POSSIBLE COOPERATION ON THE SAIPAN PROJECT**

This announcement is made by Company pursuant to Rule 13.09(2)(a) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 27 September 2016 (after trading hours of the Stock Exchange), Future Success Group Limited (the “**Lessor**”) (a direct wholly-owned subsidiary of the Company) entered into a non-legally binding letter of intent (the “**LOI**”) with Imperial Pacific International (CNMI), LLC (the “**Lessee**”) (an indirect wholly-owned subsidiary of Imperial Pacific International Holdings Limited (stock code: 1076)) in relation to the possible leasing of 40 rooms of the resort under the 1st phase of the Development Plan (the “**Possible Leasing**”).

**Shareholders and potential investors should note that the LOI only sets out the understanding with regard to the Possible Leasing, and that the LOI is not legally binding. In the event that legally binding definitive agreement is agreed or signed, further announcement(s) will be made by the Company in compliance with the Listing Rules as and when appropriate. As the Possible Leasing may or may not proceed, shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

References are made to the announcement and circular (the “**Circular**”) of Sino Golf Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 2 February 2016 and 21 April 2016 in relation to the acquisition of the entire equity interest in Lucky Fountain Holdings Limited and its subsidiaries, which comprises twelve land parcels and with a total site area of approximately 79,529 square metres, the development of the hotel resorts and/or timeshare condominiums on which is expected to be constructed in four phases (the “**Development Plan**”).

## **THE LOI**

Date : 27 September 2016

Parties : (i) Future Success Group Limited, as the Lessor; and  
(ii) Imperial Pacific International (CNMI), LLC, as the Lessee

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Lessee is a third party independent of and not connected with the Company or any of its subsidiaries and its connected persons (as defined under the Listing Rules) as at the date of this announcement.

## **SUBJECT OF THE LOI**

Pursuant to the LOI, upon completion of the 1st phase of the Development Plan by the Group (the “**1st Phase Development**”) (a date no later than 31 December 2018), the Lessee intends to lease 40 rooms (out of an aggregate of 80 rooms) of the 1st Phase Development on a contractual basis with a term of 5 years i.e. 1 January 2019 to 31 December 2023 for the purpose of accommodating the casino visitors and senior management of Imperial Pacific International Holdings Limited.

In the event that (i) the 1st Phase Development is completed ahead of schedule and with the consent from both Lessor and Lessee, the Possible Leasing can start in advance; and (ii) the Lessee intends to renew the leasing contract upon the end of the term of the Possible Leasing, the Lessee shall notify the Lessor in writing 3 months prior to the end of the Possible Leasing and subject to further negotiations between both parties.

Pursuant to the LOI, (i) the room rate offers to the Lessee shall not exceed 70% of the room rate offers to public; (ii) the Lessee shall settle the annual leasing amount of the Possible Leasing at the beginning of each year; (iii) the room rate under the Possible Leasing shall be reviewed annually; and (iv) the Lessee shall be responsible for the settlement of the tax rate under the Possible Leasing.

## **NATURE OF THE LOI**

The LOI does not constitute any legally binding obligation or commitment in respect of the Possible Leasing. The Lessor and the Lessee will negotiate in good faith in relation to the terms of an agreement for the Possible Leasing as soon as possible.

## **REASONS FOR ENTERING INTO THE LOI**

The Company is incorporated in Bermuda as an exempted company with limited liability, the issued shares of which are listed on the Stock Exchange. The principal activity of the Company is investment holding. The Group is principally engaged in the manufacturing and trading of golf equipment, golf bags and other accessories.

As stated in the Circular, the development of the hotel resorts and/or timeshare condominiums on the Properties will be constructed in four phases. For the 1st phase of the Development Plan, the Company will construct, on land parcel nine with a site area of approximately 9,352 square metres, a 3-star 8-storey resort comprising 80 room units with a gross floor area of 8,000 square metres.

The Board is of the view that the Possible Leasing, if materialises, would allow the Company to secure a considerable amount of revenue for a term of 5 years and significantly negate the uncertainty of the hospitality seasonal impact in general.

Having considered the above, the Directors are of the view that the Possible Leasing is in the interests of the Company and the shareholders of the Company as a whole.

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By order of the Board  
**Sino Golf Holdings Limited**  
**Wong Hin Shek**  
*Chairman*

Hong Kong, 27 September 2016

*As at the date of this announcement, the Board comprises Mr. Wong Hin Shek, Mr. Zhang Yi and Mr. Chu Chun Man, Augustine, all being executive Directors; and Ms. Chu Yin Yin, Georgiana, Mr. Yip Tai Him and Mr. Chan Kai Wing, all being independent non-executive Directors.*

\* *For identification purposes only*