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## **SINO GOLF HOLDINGS LIMITED**

**順龍控股有限公司**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 361)

### **DISCLOSURE UNDER RULE 13.18**

This announcement is made in compliance with Rule 13.18 to the Listing Rules.

Under Rule 13.18 to the Listing Rules, a general disclosure obligation will arise where an issuer (or any of its subsidiaries) enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholder and the breach of which will cause a default in respect of the loans that are significant to the operation of the issuer.

The Borrower, a wholly-owned subsidiary of the Company, entered into a 3-year term loan facility agreement with Sumitomo pursuant to which the Loan Facility of up to HK\$23,000,000 was granted by Sumitomo to the Borrower. The Company, as the corporate guarantor under the Loan Facility, has undertaken to ensure Mr. Chu, the controlling shareholder of the Company, and his family members shall control, directly or indirectly, at least 40% of the ordinary voting capital of the Company and that Mr. Chu shall continue to be the chairman of the Company.

Accordingly, the Company is under a general obligation to disclose the details of the Loan Facility.

This announcement is made in compliance with the disclosure requirements under Rule 13.18 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Under Rule 13.18 to the Listing Rules, a general disclosure obligation will arise where an issuer (or any of its subsidiaries) enters into a loan agreement that includes a condition imposing specific performance obligations on any controlling shareholder and the breach of which will cause a default in respect of the loans that are significant to the operation of the issuer.

The board (the “**Board**”) of directors of Sino Golf Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) make the following disclosures in compliance with Rule 13.18 to the Listing Rules.

Sino Golf Manufacturing Company Limited (the “**Borrower**”), a wholly owned subsidiary of the Company, entered into a 3-year term loan facility agreement with Sumitomo Mitsui Banking Corporation, Hong Kong Branch (“**Sumitomo**”) on 11 October 2007 pursuant to which a term loan facility of up to HK\$23,000,000 (the “**Loan Facility**”) was granted by Sumitomo to the Borrower. The availability period of the Loan Facility will commence from the acceptance date of the Loan Facility and end on the earlier of (i) 31 January 2008 and (ii) the date on which the Loan Facility is fully drawn, cancelled or terminated under the provisions of the loan facility agreement.

The Company, as the corporate guarantor under the Loan Facility, has undertaken to ensure Mr. Chu Chun Man, Augustine (“**Mr. Chu**”), the controlling shareholder of the Company, and his family members shall control, directly or indirectly, at least 40% of the ordinary voting capital of the Company and that Mr. Chu shall continue to be the chairman of the Company.

A breach of the aforesaid undertaking will constitute an event of default under the Loan Facility and Sumitomo may declare that the loan, accrued interest and all other sums payable under the Loan Facility will be immediately due and payable.

As at the date hereof, Mr. Chu and his family members control approximately 57 per cent. of the issued share capital of the Company.

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

Hong Kong, 23 October 2007

*As at the date of this announcement, the board of directors of the Company comprises 6 directors, of which three are executive directors, namely Mr. CHU Chun Man, Augustine, Mr. CHU Yuk Man, Simon and Mr. CHANG Hua Jung, and the rest of three are independent non-executive directors, namely Mr. CHOY Tak Ho, Ms. CHIU Lai Kuen, Susanna and Mr. TSE Ying Man.*