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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)

**CONNECTED TRANSACTION
IN RELATION TO THE PROPOSED EXTENSION OF
THE MATURITY DATE OF THE CONVERTIBLE BONDS**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**

RAINBOW.

RAINBOW CAPITAL (HK) LIMITED
泓博資本有限公司

EXTENSION OF THE MATURITY DATE OF THE CONVERTIBLE BONDS

On 27 November 2020 (after trading hours of the Stock Exchange), the Company and Wealth Sailor entered into the Amendment Letter to extend the Original Maturity Date for five years from the fifth anniversary of the date of issue of the Convertible Bonds (i.e. 7 November 2021) to the Extended CB Maturity Date (i.e. 7 November 2026) subject to and effective from fulfilment of the Conditions Precedent.

* For identification purpose only

LISTING RULES IMPLICATION

According to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company has applied to the Stock Exchange for its approval for the Extension pursuant to the requirements under the Listing Rules.

The Extension is considered a material change to the terms and conditions of the Convertible Bonds. It is therefore regarded as new arrangement for the Company to issue convertible debt securities to Wealth Sailor and Shareholders' approval is required.

The Company will seek the grant of a specific mandate from the Independent Shareholders at the SGM to be convened to authorise the Board to allot and issue the Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter.

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter.

GENERAL

The Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate, are subject to, among other things, the approval of Independent Shareholders at the SGM. The Company has formed an Independent Board Committee (comprising all independent non-executive Directors) to advise the Independent Shareholders as to the fairness and reasonableness of the entering into of the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate. The Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate. Wealth Sailor and its associates shall abstain from voting in respect of the resolutions. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no other Shareholders are required to abstain from voting at the SGM in respect of the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate.

A circular containing, inter alia, (i) details of Amendment Letter and the Specific Mandate; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate; (iii) a recommendation from the Independent Board Committee in relation to the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate; and (iv) a notice of the SGM is expected to be despatched to the Shareholders on or before 14 December 2020 in accordance with the Listing Rules.

EXTENSION OF THE MATURITY DATE OF THE CONVERTIBLE BONDS

Background

Reference is made to the announcements of the Company dated 13 July 2016 and 29 September 2016 and the circular of the Company dated 30 September 2016 in relation to, among others, the subscription of the Convertible Bonds by Wealth Sailor.

All of the Convertible Bonds remain outstanding as at the date of this announcement and will mature on 7 November 2021 pursuant to the existing terms and conditions of the Convertible Bonds.

Amendment Letter

On 27 November 2020 (after trading hours of the Stock Exchange), the Company and Wealth Sailor entered into the Amendment Letter to extend the Original Maturity Date for five years from the fifth anniversary of the date of issue of the Convertible Bonds (i.e. 7 November 2021) to the Extended CB Maturity Date (i.e. 7 November 2026) subject to and effective from fulfilment of the Conditions Precedent.

Save for the Extension, all other terms of the Convertible Bonds shall remain unchanged and in full force.

As at the date of this announcement, Wealth Sailor holds approximately 55.01% of the total issued share capital of the Company and therefore is the controlling shareholder of the Company. Accordingly, Wealth Sailor is a connected person of the Company under Chapter 14A of the Listing Rules.

Conditions Precedent

The Amendment Letter will only become effective upon all of the following conditions having been fulfilled:

- (i) the Stock Exchange having approved the Extension as contemplated by the Amendment Letter;

- (ii) the Stock Exchange granting its approval for the listing of, and permission to deal in, the Conversion Shares which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter; and
- (iii) the approval by the Independent Shareholders of the Amendment Letter, the Extension contemplated thereunder and the Specific Mandate at the SGM to be held and convened.

If any of the Conditions Precedent have not been fulfilled by February 28, 2021 or such later date as the parties to the Amendment Letter may agree in writing, the Amendment Letter shall lapse and the parties thereto shall release each other from all obligations thereunder save for claim (if any) in respect of any antecedent breach thereof. None of the Conditions Precedent are waivable by the Company or Wealth Sailor.

Application for listing

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter. No listing of the Convertible Bonds will be sought on the Stock Exchange or any other stock exchanges.

Principal terms of the Convertible Bonds immediately after the Extension

Save as revised by the Extension, all the terms of the Convertible Bonds remain unchanged and in full force. The principal terms of the Convertible Bonds as disclosed in the circular of the Company dated 30 September 2016, which are the terms of the Convertible Bonds, are repeated below (with the only amendment being in relation to the Extension):

Principal amount: HK\$74,100,000

Maturity Date: 7 November 2026

Interest: The Convertible Bonds do not bear any interest.

Conversion rights: The bondholders will have the right, during the period commencing from the date of issue of the Convertible Bonds up to the close of business in Hong Kong on the Extended CB Maturity Date to convert all or part of the Convertible Bonds held by it (if in part, the principal amount of Convertible Bonds to be converted shall be in the minimum amount of HK\$100,000 and integral multiples of HK\$100,000 or the whole outstanding principal amount of the Convertible Bonds) into Conversion Shares at the Conversion Price (subject to adjustments).

No exercise of conversion rights attaching to the Convertible Bonds shall be allowed if the conversion would result in the Company breaching the minimum public float requirement under Rule 8.08 of the Listing Rules and such breach is not curable at the time of the conversion.

The Conversion Shares will in all respects rank pari passu with the Shares in issue on the relevant registration date.

Conversion price:

The initial Conversion Price shall be HK\$0.114 per Conversion Share subject to adjustment provisions as summarised below.

Anti-dilution adjustments:

The Conversion Price will from time to time be adjusted upon the occurrence of certain events, including the following:

- (a) consolidation, sub-division or reclassification of the Shares;
- (b) capitalisation of profits or reserves;
- (c) capital distribution to the Shareholders;
- (d) issue of Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, of options, warrants or other rights to subscribe for or purchase any Shares, in each case at a price per Share which is less than the higher of (i) 80% of the market price on the date of the announcement of the terms of the issue or grant and (ii) the Conversion Price then in effect on the date of the announcement of the terms of the issue or grant;
- (e) issue of any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares);

- (f) issue (other than as mentioned in paragraph (d) above) of any Shares (other than Shares issued on the exercise of conversion rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or issue or grant of (other than as mentioned in paragraph (d) above) options, warrants or other rights to subscribe for, or purchase or otherwise acquire any Shares, in each case at a price per Share which is less than the higher of (i) 80% of the market price on the date of the announcement of the terms of the issue and (ii) the Conversion Price then in effect on the date of the announcement of the terms of the issue;
- (g) save in the case of an issue of securities arising from a conversion of exchange of other securities in accordance with the terms applicable to such securities themselves falling within this paragraph (g), the issue wholly for cash in paragraphs (d), (e) and (f) of any securities (other than the Convertible Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription at a consideration per Share which is less than the higher of (i) 80% of the market price on the date of the announcement of the terms of the issue of such securities and (ii) the Conversion Price in effect on the date of the announcement of the terms of the issue of such securities;
- (h) when the rights of conversion, exchange or subscription attached to any such securities as are mentioned in paragraph (g) above (other than in accordance with the terms of such securities) are modified so that the consideration per Share is less than the higher of (i) 80% of the market price on the date of the announcement of the proposals for such modification and (ii) the Conversion Price then in effect on the date of the announcement of the proposals for such modification;
- (i) if the Company or any bondholder determines that a downward adjustment should be made to the Conversion Price as a result of one (1) or more events or circumstances not referred to in paragraphs (a) to (h), the Company or such bondholder shall, at the costs and expenses of the Company, consult an independent bank of international repute (acting as an expert) to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, and the date on which such adjustment should take effect.

Save as disclosed above, there are no other events which may lead to adjustments to the Conversion Price.

Transferability:

A Convertible Bond may be transferred to another person provided, however, that (a) where not all of the Convertible Bonds then held by the bondholder are being transferred, the aggregate principal amount of the Convertible Bonds so transferred shall be at least HK\$100,000 and integral multiples of HK\$100,000, and (b) if the transfer is not to a bank, financial institution or other financiers for financing purpose of the bondholder, the prior consent of the Company shall have been obtained (such consent not to be unreasonably withheld or delayed and shall be deemed to have been given unless the Company has expressly refused such consent within five (5) Business Days of the bondholder's request).

Events of default:

If any of the following events occurs, the Convertible Bonds shall on the giving of notice in writing by the bondholder to the Company become due and payable at the Early Redemption Amount (as defined hereinafter):

- (a) a default is made by the Company in the payment of any principal, premium or any other amount due in respect of the Convertible Bonds on its due date of payment (except where failure to pay is caused solely by administrative or technical error and payment is made within three (3) Business Days of its due date);
- (b) failure by the Company to deliver any Shares as and when such Shares are required to be delivered following conversion of a Convertible Bond and such failure continues for a period of seven (7) Business Days;
- (c) the occurrence of any event or circumstance which could reasonably likely to result in a material adverse effect to the business, operations, business results or financial condition or prospects of the Group taken as a whole;
- (d) the Company fails to perform or comply with one or more of its other obligations in the Convertible Bonds (other than those referred to in paragraphs (a) to (c) above), which default is incapable of remedy or, if capable of remedy, is not remedied within 7 days after written notice of such default shall have been given to the Company by a bondholder;

- (e) the Company is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a substantial part of (or of a particular type of) its debts as they fall due, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of a substantial part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of such debts or a moratorium is agreed or declared in respect of or affecting all or a substantial part of (or of a particular type of) the debts of the Company; an administrator or liquidator of the Company, or the whole or any part of the assets and revenue of the Company is appointed and such appointment is not discharged or stayed within 60 days;
- (f) any Subsidiary is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a substantial part of (or of a particular type of) its debts as they fall due, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of a substantial part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of such debts or a moratorium is agreed or declared in respect of or affecting all or a substantial part of (or of a particular type of) the debts of any Subsidiary; an administrator or liquidator of any Subsidiary or the whole or any part of the assets and revenue of any Subsidiary is appointed and such appointment is not discharged or stayed within 60 days (other than in respect of a solvent liquidation);
- (g) any judgment or order for the payment of money in excess of HK\$1,000,000 or the equivalent thereof (for each judgment or order) or HK\$10,000,000 or the equivalent thereof in the aggregate (for all such judgments or orders) shall be rendered against the Company and/or any Subsidiary and is not discharged for a period of 30 days following such judgment (or such longer period as the Company and the bondholders may agree) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

- (h) any judgment or order for the payment of money in excess of HK\$10,000,000 or the equivalent thereof (for each judgment or order) or HK\$20,000,000 or the equivalent thereof in the aggregate (for all such judgments or orders) shall be rendered against the Company and/or any Subsidiary;
- (i) (i) any other present or future indebtedness of the Company or any of its Subsidiaries for or in respect of monies borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or (iii) the Company or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this condition have occurred equals or exceeds HK\$100,000,000 or its equivalent (as determined on the basis of the middle spot rate for the relevant currency against the Hong Kong dollar as quoted by any leading bank on the day on which such indebtedness becomes due and payable or is not paid or any such amount becomes due and payable or is not paid under any such guarantee or indemnity);
- (j) a distress, attachment, execution, seizure before judgment or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Company or any of its Subsidiaries, and is not discharged or stayed within 60 days;
- (k) an order is made or an effective resolution passed for the liquidation, winding up, dissolution, judicial management or administration of the Company or any of its Subsidiaries or the Company or any of its Subsidiaries ceases or threatens to cease to carry on all or a material part of its business;

- (l) an encumbrancer takes possession or an administrative or other receiver or an administrator or other similar officer is appointed of the whole or any material part of the property, assets or revenues of the Company or any of its Subsidiaries (as the case may be), and is not discharged within 60 days;
- (m) it is or will become unlawful for the Company to perform or comply with anyone or more of its obligations under the Convertible Bonds;
- (n) any step is taken by any person that could reasonably be expected to result in the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of the Company or any of its Subsidiaries;
- (o) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order: (i) to enable the Company lawfully to enter into, exercise its rights and perform and comply with its obligations under the Convertible Bonds; (ii) to ensure that these obligations are legally binding and enforceable; and (iii) to make the Convertible Bonds admissible in evidence in the courts of Bermuda or Hong Kong is not taken, fulfilled or done; or
- (p) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing conditions.

Early Redemption Amount = outstanding principal amount of such Convertible Bond $\times (1.10)^N$ where:

N = a fraction the numerator of which is the number of calendar days between the date of issue of the Convertible Bonds and the date of redemption of such amount and the denominator of which is 365.

Conversion Shares

As at the date of this announcement:

- (1) no Conversion Shares have been allotted and issued under the Convertible Bonds;

- (2) the Conversion Price (which is subject to adjustments) remains at HK\$0.114 per Conversion Share; and
- (3) the Convertible Bonds are convertible into a maximum of 650,000,000 Conversion Shares at the Conversion Price of HK\$0.114 per Conversion Share (subject to adjustments) and assuming that there is no change to the share capital of the Company save for the allotment and issue of the Conversion Shares under the Convertible Bonds, the Conversion Shares represent:
- (i) approximately 12.50% of the existing issued share capital of the Company as at the date of this announcement; and
 - (ii) approximately 11.11% of the issued share capital of the Company as enlarged by the issue of the 650,000,000 Conversion Shares.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement:

- (1) the Company has 5,201,250,000 Shares in issue; and
- (2) save for the Convertible Bonds, the Company does not have any outstanding convertible securities, options, warrants or other derivatives in issue which are convertible or exchangeable into Shares.

The effect of the exercise of the conversion rights attaching to the Convertible Bonds in full is set out below (assuming that there is no other change in the share capital and shareholding structure of the Company from the date of this announcement up to the date when the conversion rights attaching to the Convertible Bonds are exercised in full at the Conversion Price of HK\$0.114 per Conversion Share):

Shareholders	As at the date of this announcement		For illustrative purposes, upon full conversion of the Convertible Bonds at the initial Conversion Price of HK\$0.114 per Conversion Share	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Wealth Sailor	2,861,000,000	55.01	3,511,000,000	60.00
Surplus Excel	984,754,355	18.93	984,754,355	16.83
Mr. Chu Chun Man, Augustine and his close associates (Note 1)	47,210,520	0.91	47,210,520	0.81
Public Shareholders	<u>1,308,285,125</u>	<u>25.15</u>	<u>1,308,285,125</u>	<u>22.36</u>
Total	<u><u>5,201,250,000</u></u>	<u><u>100.00</u></u>	<u><u>5,851,250,000</u></u>	<u><u>100.00</u></u>

Note:

- (1) As at the date of this announcement, Mr. Chu Chun Man, Augustine (“**Mr. Chu**”), an executive Director, holds 46,460,520 Shares. Ms. Hung Tze Nga, Cathy, who is the spouse of Mr. Chu, is interested in 750,000 Shares.

FUND RAISING ACTIVITY IN THE PAST TWELVE-MONTH PERIOD

The Group has not carried out any fund raising activities during the 12 months immediately preceding the date of this announcement.

REASONS AND BENEFITS FOR THE PROPOSED EXTENSION

Given the out-of-money situation where the Conversion Price is HK\$0.114 per Conversion Share, representing (a) a premium of approximately 216.67% over the closing price of HK\$0.036 per Share on the date prior to the date of the Amendment Letter; (b) a premium of approximately 235.29% over the average closing price of HK\$0.034 per Share of the last five consecutive trading days prior to and excluding the date of the Amendment Letter; and (c) a premium of approximately HK\$0.063, or a premium of approximately 123.53% over the unaudited net asset value per Share of approximately HK\$0.051 based on the published unaudited consolidated net asset attributable to the Shareholders of approximately HK\$264,048,000 as at 30 June 2020 and the then total number of issued Shares of 5,201,250,000, Wealth Sailor is unlikely to convert all or part of the Convertible Bonds on or before the Original Maturity Date.

Without the Extension, the bondholder of the Convertible Bonds has a right to redeem at the Original Maturity Date. Based on the interim report of the Company for the six months ended 30 June 2020, the Group has recorded net current assets of HK\$17,892,000 as at 30 June 2020. Full redemption of the Convertible Bonds will have adverse impact on the cashflow and financial stability of the Group. To avoid the Group defaulting in its redemption obligations of the Convertible Bonds on the Original Maturity Date, and in view of the further capital requirements for the business operations, investments and development of the Group, the Extension will enable the Group to postpone a substantial cash outflow and allow the Group to have reasonable time to improve its net current asset position in order to satisfy any redemption obligations under the terms of the Convertible Bonds.

The Extension will also allow the Group to have more financial flexibility in the deployment of its working capital for its business operations and development. In light of the zero coupon rate of the Convertible Bonds, the Directors consider it in the interests of the Company and the Independent Shareholders as a whole to utilise its cash resources for business development and other business opportunities in order to maximise returns to the Shareholders. The Extension will allow the Group to have additional time to develop its business instead of meeting the redemption obligation under the Convertible Bonds within a relatively short period.

The Board (excluding the independent non-executive Directors whose views will be given after taking into account the advice from the Independent Financial Adviser) considers that, although the Amendment Letter and the Extension contemplated thereunder are not in the ordinary and usual course of business of the Group, given the nature of and the reasons for the transaction, the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

INFORMATION OF THE GROUP

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.

INFORMATION OF WEALTH SAILOR

Wealth Sailor is an investment holding company incorporated in the British Virgin Islands. Mr. Huang is the sole ultimate beneficial shareholder and sole director of Wealth Sailor, indirectly holding 100% of the issued share capital of Wealth Sailor through his wholly-owned company, Prominent Victory Limited. Mr. Huang is an experienced business entrepreneur and a professional investor who has invested in other Hong Kong listed companies.

LISTING RULES IMPLICATION

According to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company has applied to the Stock Exchange for its approval for the Extension pursuant to the requirements under the Listing Rules.

The Extension is a change to the terms and conditions of the Convertible Bonds. It is therefore regarded as new arrangement for the Company to issue convertible debt securities to Wealth Sailor and Shareholders' approval is required.

The Company will seek the grant of a specific mandate from the Independent Shareholders at the SGM to be convened to authorise the Board to allot and issue the Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter.

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter.

As at the date of this announcement, Wealth Sailor holds approximately 55.01% of the total issued share capital of the Company and therefore is the controlling shareholder of the Company. As Wealth Sailor is a connected person of the Company, the entering into of the Amendment Letter and the issue of the Conversion Shares pursuant to the Specific Mandate constitute connected transactions of the Company under Chapter 14A of the Listing Rules and are subject to reporting, announcement and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

The Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate, are subject to, among other things, the approval of Independent Shareholders at the SGM. The Company has formed an Independent Board Committee (comprising all independent non-executive Directors) to advise the Independent Shareholders as to the fairness and reasonableness of the entering into of the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate. The Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate. Wealth Sailor and its associates shall abstain from voting in respect of the resolution. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no other Shareholders are required to abstain from voting at the SGM in respect of the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate.

No Directors have a material interest in the Extension contemplated under the Amendment Letter and hence no Directors are required to abstain from voting on the Board resolution(s) in relation to the approval for the execution of the Amendment Letter.

A circular containing, inter alia, (i) details of Amendment Letter and the Specific Mandate; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate; (iii) a recommendation from the Independent Board Committee in relation to the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate; and (iv) a notice of the SGM is expected to be despatched to the Shareholders on or before 14 December 2020 in accordance with the Listing Rules.

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this announcement:

“Amendment Letter”	:	the amendment letter dated 27 November 2020 entered into between the Company and Wealth Sailor in relation to the Extension
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“associate(s)”	:	has the meaning ascribed thereto in the Listing Rules
“Board”	:	board of Directors
“Business Day”	:	a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong
“close associate(s)”	:	has the meaning ascribed thereto in the Listing Rules
“Company”	:	Sino Golf Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange (stock code: 361)
“Conditions Precedent”	:	the conditions precedent set out in the paragraph headed “Conditions Precedent” in this announcement
“connected person(s)”	:	has the meaning ascribed thereto in the Listing Rules
“controlling shareholder”	:	has the meaning ascribed thereto in the Listing Rules
“Conversion Price”	:	the conversion price per Conversion Share at which Conversion Shares will be issued upon exercise of the conversion rights attaching to the Convertible Bonds, being initially HK\$0.114 per Conversion Share, subject to adjustments pursuant to the terms and conditions of the Convertible Bonds
“Conversion Share(s)”	:	new Share(s) to be allotted and issued by the Company pursuant to the exercise of the conversion rights attached to the Convertible Bonds pursuant to the terms and conditions of the Convertible Bonds
“Convertible Bonds”	:	the zero coupon convertible bonds due 2021 in the aggregate principal amount of HK\$74,100,000 issued by the Company to Wealth Sailor
“Director(s)”	:	director(s) of the Company
“Extended CB Maturity Date”	:	7 November 2026
“Extension”	:	the proposed extension of the Original Maturity Date from 7 November 2021 to the Extended CB Maturity Date
“Group”	:	the Company and the Subsidiaries

“Hong Kong”	:	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	:	a Board committee comprising all independent non-executive Directors established to advise and make recommendation to the Independent Shareholders in relation to the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate
“Independent Financial Adviser”	:	Rainbow Capital (HK) Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and is the independent financial adviser appointed by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Amendment Letter, the Extension contemplated thereunder and the granting of the Specific Mandate
“Independent Shareholders”	:	the Shareholders other than (i) Wealth Sailor and its associates; and (ii) any Shareholders who are involved in or interested in the Extension contemplated under the Amendment Letter, who are required under the Listing Rules to abstain from voting in respect of the resolution(s) relating to the Amendment Letter, the Extension contemplated thereunder and the grant of the Specific Mandate at the SGM
“Listing Committee”	:	the listing committee of the Stock Exchange
“Listing Rules”	:	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Maturity Date”	:	the maturity date of the Convertible Bonds
“Mr. Huang”	:	Mr. Huang Youlong (黃有龍先生), the sole ultimate beneficial shareholder and the sole director of Wealth Sailor
“Original Maturity Date”	:	fifth anniversary of the date of issuance of the Convertible Bonds (i.e. 7 November 2021)
“SGM”	:	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the Amendment Letter, the Extension contemplated thereunder and the Specific Mandate (or any adjournment thereof)

“Share(s)”	:	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	:	holder(s) of the issued Share(s)
“Specific Mandate”	:	the specific mandate to be granted to the Directors at the SGM for the allotment and issue of the Conversion Shares upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Amendment Letter
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	:	subsidiary(ies) of the Company
“Surplus Excel”	:	Surplus Excel Limited, a company incorporated in the British Virgin Islands with limited liability. It holds 984,754,355 Shares as at the date of this announcement
“Wealth Sailor”	:	Wealth Sailor Limited (金航有限公司), a company incorporated in the British Virgin Islands with limited liability, and is wholly and ultimately owned by Mr. Huang, being the holder of the Convertible Bonds
“HK\$”	:	Hong Kong dollars, the lawful currency of Hong Kong
“%”	:	per cent.

By Order of the Board
Sino Golf Holdings Limited
Huang Bangyin
Chairman

Hong Kong, 27 November 2020

As at the date of this announcement, the Board comprises (i) Mr. Huang Bangyin and Mr. Chu Chun Man, Augustine as executive Directors; (ii) Mr. Wong Hin Shek as non-executive Director; and (iii) Mr. Sheng Baojun, Mr. Ho Kwong Yu and Ms. Lin Lin as independent non-executive Directors.

* *For identification purpose only*