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金粵控股有限公司

Rich Goldman Holdings Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00070)

VOLUNTARY ANNOUNCEMENT – FORMATION OF A JOINT VENTURE

This announcement is made on a voluntary basis by the Company to keep the Shareholders and potential investors of the Company informed of the latest business development of the Group.

THE JV AGREEMENT

The Board is pleased to announce that on 27 April 2020 (after trading hours), Prime Jade (a wholly-owned subsidiary of the Company), Great Happy and the Guarantor entered into the JV Agreement, pursuant to which Prime Jade and Great Happy have agreed to establish a joint venture company to conduct the Business in the Philippines.

A summary of the principal terms of the JV Agreement are set out below.

- Date** 27 April 2020
- Parties:**
- (1) Prime Jade;
 - (2) Great Happy; and
 - (3) the Guarantor.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, (i) Great Happy is directly wholly-owned by Mr. Tam Ka Wo, the Guarantor, and (ii) each of Great Happy and its ultimate beneficial owner (i.e. the Guarantor) is an Independent Third Party.

Business of the JV Company

The principal business activities of the JV Company are to introduce customers to the live gaming tables in the casino VIP room to be operated by the Junket Representative in the Casino under an agreement to be entered into between the Junket Representative and BRHI, and, in return, receive 1% of the rolling turnover generated from the live gaming tables by the Junket Representative and its patrons at the casino VIP room in each calendar month subject to applicable laws and regulations (the “**Business**”).

Shareholding in the JV Company

The JV Company will be held as to 51% by Prime Jade and 49% by Great Happy (the “**Agreed Proportion**”) and, accordingly, be accounted for as a subsidiary of the Company. Subject to the conditions precedents as set out in the paragraph headed “The JV Agreement – Conditions precedent” below having been fulfilled, each of Prime Jade and Great Happy shall subscribe for 510 shares and 490 shares in the JV Company in the aggregate amount of HK\$510,000 and HK\$490,000, respectively, within three months from the date of the JV Agreement (or such other period as the parties may agree in writing). Prime Jade’s subscription of 51% shareholding in the JV Company is expected to be funded by the Group’s internal resources.

Pursuant to the JV Agreement, the number of shares in the JV Company to be respectively held by Prime Jade and Great Happy shall, except in consequence of the operation of the JV Agreement or the articles of associations of the JV Company or by law or otherwise agreed in writing between the parties to the JV Agreement, be maintained at all times in the Agreed Proportion. All decisions at a shareholders’ meeting of the JV Company shall be determined by a simple majority.

Conditions precedent

As soon as reasonably practicable after the date of the JV Agreement, each of Prime Jade and Great Happy shall use all reasonable efforts to procure, among others, that:

- (a) the JV Company be incorporated in the British Virgin Islands under the name of “Ever Lucky Global Limited” or such other name as may be agreed in writing between Prime Jade and Great Happy with an authorised share capital of HK\$1,000,000 divided into 1,000 shares of HK\$1,000 each;
- (b) upon the receipt of the due applications for shares from Prime Jade and Great Happy, the JV Company shall issue and allot at par for cash in aggregate 1,000 new shares, of which 510 new shares and 490 new shares shall be allotted to Prime Jade and Great Happy, respectively;

- (c) legal opinion(s) be issued to the satisfaction of Prime Jade in respect of the legality and lawfulness of the Business and the BRHI Junket Promotion Business, respectively, under applicable laws and regulations;
- (d) the JV Company to apply for and obtain all approvals, consents and/or licences necessary and required to operate the Business from the relevant authorities and/or regulatory bodies as soon as reasonably practicable; and
- (e) the JV Company enters into a profit sharing agreement in relation to the Business in a form satisfactory to Prime Jade with the Junket Representative.

If any of the conditions precedent set out above are not fulfilled in any respect within 3 months from the date of the JV Agreement (or such other period as the parties may agree in writing), the JV Agreement (other than clauses relating to definition, duration of the JV Agreement, cost and expenses, general provisions, notices, confidentiality and governing law) shall be immediately terminated and the parties shall not have any further obligation or liability towards one another.

Management of the JV Company

The board of directors of the JV Company shall consist of three directors, among which, Prime Jade shall nominate two directors and Great Happy shall nominate one director. All decisions of the board of directors of the JV Company shall be determined by a simple majority.

Non-competition

Each of Prime Jade, Great Happy and the Guarantor and/or their respective subsidiaries shall not directly or indirectly through other nominees or structures engage in any Business or any business or activities that may compete with the Business, other than the BRHI Junket Promotion Business.

Undertaking by Great Happy

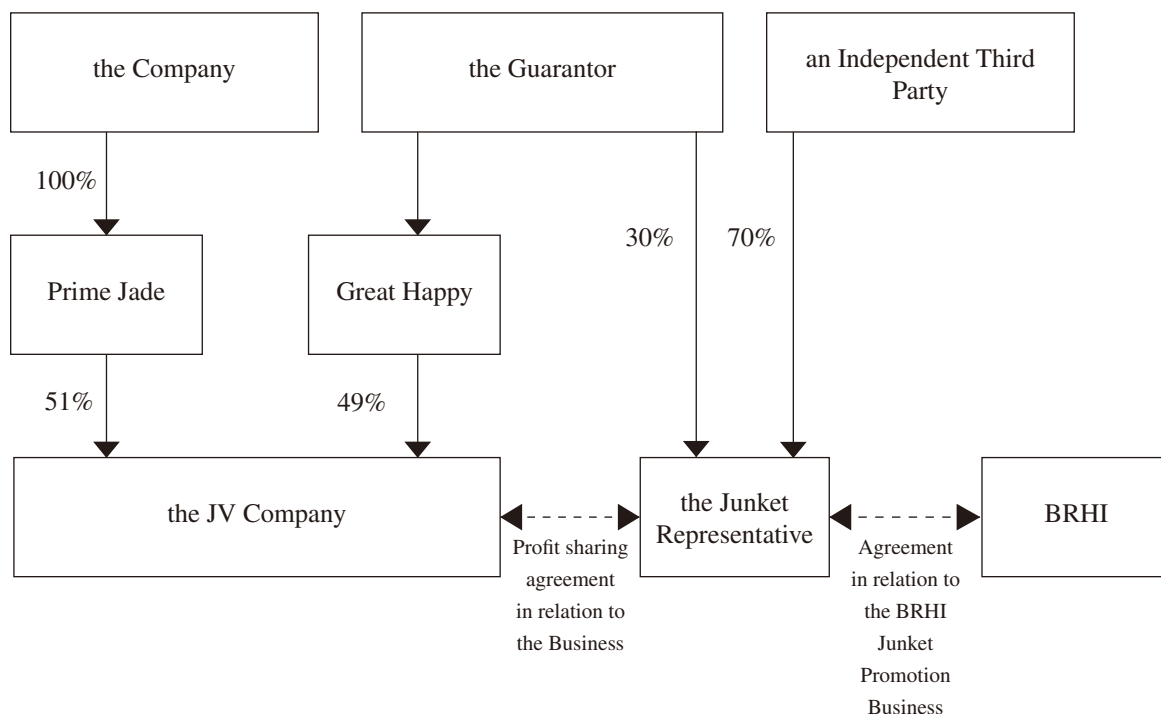
Pursuant to the JV Agreement, Great Happy has irrevocably undertaken with Prime Jade that, save with the prior written consent of Prime Jade, Great Happy shall not allow or procure the occurrence of itself ceasing to be at least 51% owned, directly or indirectly, by the Guarantor.

Guarantee

Pursuant to the JV Agreement, the Guarantor has irrevocably guaranteed to Prime Jade the performance of the obligations of Great Happy in accordance with the JV Agreement. The guarantee provided by the Guarantor shall be of a continuing nature and shall remain in force until all of the obligations of Great Happy under the JV Agreement have been fulfilled.

SHAREHOLDING STRUCTURE AND BUSINESS RELATIONSHIP OF THE RELEVANT ENTITIES AND THE COMPANY

The diagram below shows the shareholding structure and the business relationship of the relevant entities upon (i) the incorporation of the JV Company; (ii) the entering into of a profit sharing agreement in relation to the Business between the JV Company and the Junket Representative; and (iii) the entering into of an agreement in relation to the BRHI Junket Promotion Business between the Junket Representative and BRHI:



INFORMATION ON THE GROUP AND PRIME JADE

The Group is principally engaged in (i) introducing customers to respective casino's VIP rooms and receiving the profit streams from junket businesses at respective casino's VIP rooms through independent junket operators; (ii) the money lending business; (iii) the hotel operation business; and (iv) the property leasing business. As at the date of this announcement, the Group is in progress of identifying new junket operators for its gaming business.

Prime Jade is an indirect wholly-owned subsidiary of the Company. Its principal business activity is investment holding.

INFORMATION ON GREAT HAPPY AND THE GUARANTOR

Great Happy is a company incorporated in the British Virgin Islands which, to the best of the Directors' knowledge, is principally engaged in investment holding. The ultimate beneficial owner of Great Happy is the Guarantor.

The Guarantor is also the ultimate beneficial owner of Hoi Long Sociedade Unipessoal Limitada ("**Hoi Long**"), a junket operator which operated junket business in relation to a total of 8 VIP tables in the casino Grand Lisboa prior to April 2020. The Group has collaborated with Hoi Long to introduce customers to the VIP tables in the casino Grand Lisboa and receive profits from Hoi Long from its junket business from September 2012 to April 2020.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY

Taking into account the principal business activities of the Group, the formation of the JV Company is in the ordinary and usual course of business of the Group.

The Group has been actively exploring possibilities to expand its gaming business and identifying new junket operators for its gaming business. Given the long-term business relationship between the Group and the Guarantor as well as the satisfactory returns from the Group's collaboration with Hoi Long in Macau during the term of their collaboration, the Directors are of the view that the formation of the JV Company in the Philippines with Great Happy represents a strategic move for the Group to diversify its gaming business into the Philippines.

The Directors are of the view that the terms of the JV Agreement are fair and reasonable and are entered into on normal commercial terms. Taking into account of the prospect of the Philippines' gaming industry which remains positive driven by growing wealth and increasing gaming presence in the Philippines, the Directors consider that the entering into of the JV Agreement is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As all of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) are less than 5% in respect of the transactions contemplated under the JV Agreement, the transactions contemplated under the JV Agreement do not constitute notifiable transactions of the Company under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, each of Great Happy and the Guarantor is an Independent Third Party. Accordingly, the transactions contemplated under the JV Agreement do not constitute connected transactions under Chapter 14A of the Listing Rules.

GENERAL

The Board wishes to emphasize that the transactions contemplated under the JV Agreement are subject to the conditions precedent set out in the paragraphs headed "The JV Agreement – Conditions precedent" above. Accordingly, the transactions contemplated under the JV Agreement may or may not proceed. As at the date of this announcement, no profit sharing agreement in relation to the Business has been entered into between the JV Company and the Junket Representative.

If the transactions contemplated under the JV Agreement materialise, the Company will make further announcements as and when appropriate in accordance with the Listing Rules. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the same meanings set out below:

"BRHI"	Bloomerry Resorts and Hotels, Inc., a company incorporated in the Philippines and the operator of the Casino
"BRHI Junket Promotion Business"	the business to be carried out by the Junket Representative under an agreement to be entered into between the Junket Representative and BRHI, pursuant to which the Junket Representative will, among other things, market and promote the Casino, arrange junket players to visit the Casino, and operate a VIP room with video streaming and live gaming tables
"Business"	has the meaning ascribed to it in the paragraph headed "The JV Agreement – Business of the JV Company"
"Casino"	the Solaire Resort and Casino in the Philippines

“Company”	Rich Goldman Holdings Limited, a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 70)
“Director(s)”	the director(s) of the Company
“Great Happy”	Great Happy Century Limited, a company incorporated in the British Virgin Islands and is wholly-owned by the Guarantor
“Group”	the Company together with its subsidiaries
“Guarantor”	Mr. Tam Ka Wo
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who is/are independent of the Company and its connected person(s) (as defined under the Listing Rules)
“Junket Representative”	a junket promoter/representative, which is wholly or partly owned by the Guarantor, to be specified by Prime Jade to enter into a profit sharing agreement with the JV Company in relation to the Business
“JV Agreement”	the joint venture agreement dated 27 April 2020 entered into among Prime Jade, Great Happy and the Guarantor in relation to the formation of the JV Company
“JV Company”	a joint venture to be incorporated in the British Virgin Islands pursuant to the terms and conditions of the JV Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Prime Jade”	Prime Jade Enterprises Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company

“Shareholders”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“%”	per cent.

By Order of the board of Directors
Rich Goldman Holdings Limited
Lin Chuen Chow, Andy
Chairman

Hong Kong, 27 April 2020

As at the date of this announcement, the board of Directors comprises Mr. Lin Chuen Chow, Andy and Ms. So Wai Yin as executive Directors; Mr. Nicholas J. Niglio as non-executive Director and Mr. Cheung Yat Hung, Alton, Mr. Yue Fu Wing and Ms Yeung Hoi Ching as independent non-executive Directors.