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海航實業集團股份有限公司
HNA HOLDING GROUP CO. LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 521)

MAJOR TRANSACTION
ACQUISITION OF GOLF COURSES IN THE US

This announcement is made pursuant to Rule 13.09 and Chapter 14 of the Listing Rules 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 is pleased to announce that on 7 October 2016 (Pacific Time), the Company (as purchaser) has entered into the Purchase and Sale Agreement with the Sellers. The Properties comprise eight golf courses located in Washington State, US with a total of 180 golf holes and clubhouses and various amenities. Upon Closing, the Lessor and the Lessee will enter into the Lease.

The Board believes that the Acquisition and the Lease are in line with the Group's business strategy and considers that the terms of the Acquisition and the Lease are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. The Company intends to obtain a written shareholder's approval from Hong Kong HNA for approving the Purchase and Sale Agreement and the transactions contemplated thereunder in lieu of holding a general meeting of the Company according to Rule 14.44 of the Listing Rules. A circular is expected to be despatched to the Shareholders for their information on or before 23 November 2016, as the Company requires additional time to prepare necessary information for inclusion in the circular.

As Closing is subject to the satisfaction and/or waiver (if applicable) of the conditions precedent stated in the Purchase and Sale Agreement, the Acquisition may or may not proceed to Closing. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

INTRODUCTION

This announcement is made pursuant to Rule 13.09 and Chapter 14 of the Listing Rules 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).

Reference is made to the announcement made by the Company on 22 June 2016 in relation to the Acquisition.

The Board is pleased to announce that on 7 October 2016 (Pacific Time), the Company (as purchaser) has entered into the Purchase and Sale Agreement with the Sellers. Upon Closing, the Lessor and the Lessee will enter into the Lease.

THE PURCHASE AND SALE AGREEMENT

Set out below are the principal terms of the Purchase and Sale Agreement:

Date: 7 October 2016 (Pacific Time)

Parties:

Sellers: The Sellers

Purchaser: The Company

Assets agreed to be acquired: The Properties

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, each of the Sellers and their respective ultimate beneficial owner(s) is an Independent Third Party.

Consideration

The consideration for the Acquisition is US\$137,470,000 (equivalent to approximately HK\$1,072,266,000) payable in cash in US funds to the Sellers at Closing. The Company has sufficient resources to satisfy in full the consideration of the Acquisition and intends to finance the Acquisition by a combination of internal resources and/or external debt.

The consideration for the Acquisition was determined after arm's length negotiations between the Company and the Sellers with reference to, among other things, the quality of the Properties and the value of the Properties of US\$139,700,000 (equivalent to approximately HK\$1,089,660,000) as at 30 September 2016 according to the valuation by an independent valuer.

A valuation report on the Properties in compliance with the requirements of Chapter 5 of the Listing Rules will be included in the circular to be despatched to the Shareholders in due course.

Earnest Money Deposit

The Company shall deposit the sum of US\$900,000 (equivalent to approximately HK\$7,020,000) with the Escrow Holder (the “**Earnest Money Deposit**”) within five days of the later of (i) the effective date of the Purchase and Sale Agreement, and (ii) the date of execution of the Escrow Agreement and the availability of the Escrow Account (as defined below). The Earnest Money Deposit shall be placed in a separate, interest-bearing account in the name of the Escrow Holder (the “**Escrow Account**”) and shall be held by the Escrow Holder in escrow as earnest money pursuant to the Escrow Agreement.

In the event the Purchaser delivers its written notice of the Purchaser’s election to proceed to Closing under the Purchase and Sale Agreement prior to the expiration of the Feasibility Period, the Earnest Money Deposit shall become non-refundable upon expiration of the Feasibility Period and be applied to the purchase price at Closing unless stated otherwise in the Purchase and Sale Agreement or, if the transaction fails to close due to a material Purchaser default, paid to the Sellers as liquidated damages.

Conditions Precedent

Sellers Closing Conditions

The Sellers’ obligation to cause the Closing is conditioned on all of the following, any or all of which may be waived by the Sellers by an express written waiver, at its sole option (each a “**Sellers Closing Condition**”):

- (1) All representations and warranties made by the Purchaser in the Purchase and Sale Agreement shall be true and correct on and as of the Closing Date, as if made on and as of such date except to the extent they expressly relate to an earlier date;
- (2) No petition has been filed by or against the Purchaser under the US Federal Bankruptcy Code or any similar law, whether now or hereafter existing; and
- (3) The Purchaser shall have delivered the funds required under the Purchase and Sale Agreement and all of the material documents to be executed by the Purchaser.

If any Sellers Closing Condition is not satisfied at Closing (other than as a result of the failure of a Purchaser Closing Condition to be satisfied), then the Sellers shall have the right to (i) terminate the Purchase and Sale Agreement, and if such failure is due to the default by the Purchaser of its obligations under the Purchase and Sale Agreement (after 5 days’ written notice from the Sellers to the Purchaser, during which time the Purchaser may cure such default), then the Earnest Money Deposit shall not be refunded to the Purchaser and shall instead be immediately delivered to the Sellers and, in either of such cases, the parties shall have no further rights or obligations under the Purchase and Sale Agreement, except those which expressly survive such termination, or (ii) waive any such Sellers Closing Condition and proceed to Closing.

Purchaser Closing Conditions

The Purchaser's obligation to cause the Closing is conditioned on all of the following, any or all of which may be expressly waived by the Purchaser in writing, at its sole option (each a "**Purchaser Closing Condition**"):

- (1) All representations and warranties made by the Sellers in the Purchase and Sale Agreement shall be true and correct on and as of the Closing Date, as if made on and as of such date except to the extent that they expressly relate to an earlier date;
- (2) At Closing, the relevant title company shall have irrevocably committed to issue the owner's title policies upon Closing;
- (3) No petition has been filed by or against the Sellers under the US Federal Bankruptcy Code or any similar law, whether now or hereafter existing;
- (4) The Sellers shall have delivered all of the material documents and other items required and shall have performed all other covenants, undertakings and obligations, and complied with all conditions required by the Purchase and Sale Agreement, to be performed or complied with by the Sellers at or prior to Closing;
- (5) The relevant Shareholders' approval in connection with the Purchase and Sale Agreement and the transactions contemplated thereunder shall have been obtained in accordance with the Listing Rules;
- (6) All consents, approval, and authorization from any relevant governmental departments or regulatory authorities required to consummate the transaction contemplated in the Purchase and Sale Agreement shall have been obtained;
- (7) Certain documents and judicial order, respectively, relating to The Golf Club at Newcastle, US shall be fully executed and delivered (as the case may be) by all relevant parties and, where applicable, the Purchaser shall be added as a party thereto;
- (8) The Purchaser shall have entered into an agreement with the Lessee to manage or lease the Properties subsequent to Closing;
- (9) The Sellers shall have completed all necessary measures to resolve any discrepancies in the ownership of Indian Summer Golf & Country Club (located in Olympia, Washington) such that the club has exclusive fee title to such golf course and the legal description for such golf course in the Purchase and Sale Agreement correctly and accurately describes the entirety of such golf course; and
- (10) Any matters in the Purchase and Sale Agreement requiring the approval or consent of the Purchaser shall have been so approved or consented to by the Purchaser.

If any Purchaser Closing Condition is not satisfied at Closing, then the Purchaser shall have the right (i) to terminate the Purchase and Sale Agreement, in which case the Earnest Money Deposit shall promptly be refunded to the Purchaser, and the parties shall have no further rights or obligations under the Purchase and Sale Agreement, except those which expressly survive such termination, or (ii) to waive any such Purchaser Closing condition and proceed to Closing.

Closing

Closing shall take place on or before the Closing Date.

The Purchaser shall have the right, in its sole discretion, to extend the Closing Date to a date which is not later than four months from the date of the Purchase and Sale Agreement. The Purchaser may extend the Closing Date on multiple occasions.

Use of name

The Company may continue to use the name “Oki Golf” and “Oki” for up to six (6) years following the Closing Date at no cost to the Company so long as the Company or one of its affiliates continues to contract with the Lessee or its affiliates to manage or lease the Properties. In the event the Lessee or its affiliates are no longer managing or leasing all of the Properties, the Company’s right to use the names above shall apply only to those Property(ies) which continue to be managed or leased by the Lessee or its affiliates, if any. In the event the Lessee or its affiliates no longer manage or lease any of the Properties, the Company shall have one year to cease using the name “Oki”.

Termination

Purchaser’s right to terminate

The Purchaser shall have the right to terminate the Purchase and Sale Agreement in its sole and absolute discretion, for any reason or no reason, prior to the expiration of the Feasibility Period. If the Purchaser is deemed to have elected to terminate the Purchase and Sale Agreement, neither the Sellers nor the Purchaser shall have any liability under the Purchase and Sale Agreement except for those obligations which expressly survive the termination of the Purchase and Sale Agreement and the Purchaser shall be entitled to the return of the Earnest Money Deposit.

If, at Closing, (i) the Sellers are in material default of any of its obligations under the Purchase and Sale Agreement, or (ii) any of the Sellers’ representations and warranties in the Purchase and Sale Agreement are untrue, inaccurate or incorrect in any material respect, or (iii) the Closing otherwise fails to occur by reason of the Sellers’ failure or refusal to perform its obligations therein, then the Purchaser shall have the right to elect, as its sole and exclusive remedy, to (a) terminate the Purchase and Sale Agreement by written notice to the Sellers, in which case, the Earnest Money Deposit shall promptly be returned to the Purchaser and, thereafter, the parties shall have no further rights or obligations hereunder except for obligations which expressly survive the termination of the Purchase and Sale Agreement, or (b) waive the applicable breach or default by the Sellers and proceed to Closing, or (c) seek specific performance of the Purchase and Sale Agreement by the Sellers; provided, however, solely in the event the Sellers transfer the Properties to a third party in violation of the Purchase and Sale Agreement and the Purchaser’s remedy of specific performance is unavailable, the Purchaser shall also be entitled to reimbursement of the out-of-pocket expenses incurred in pursuit of consummating the transaction.

Sellers’ right to terminate

If Closing fails to occur by reason of the Purchaser’s breach of its obligation to acquire the Properties on the Closing Date, then the Seller shall have the right to elect, as its sole and exclusive remedy, to (a) terminate the Purchase and Sale Agreement by written notice to the Purchaser, promptly after which the Earnest Money Deposit shall be paid to the Sellers as liquidated damages and, thereafter, the parties shall have no further rights or obligations hereunder, or (b) waive the applicable breach or default by the Purchaser and proceed to Closing.

THE LEASE

Upon Closing, the Lessor and the Lessee will enter into the Lease, the principal terms of which are set out below:

Expected date:	Closing Date
Parties:	
Lessor	The Lessor
Lessee	The Lessee
Properties agreed to be leased:	The Properties (and all personal property associated with the buildings and improvements, and all equipment and personal property (excluding the inventory) used in the operation of the businesses located on the Properties, subject to the encumbrances set out in the Lease)

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, each of the Lessee and its ultimate beneficial owner(s) is an Independent Third Party.

Term

Five (5) years commencing on the Closing Date (the "**Term**") (extendable subject to mutual agreement).

Rent

The Lessee shall pay to the Lessor an annual rent of US\$7,100,000 (equivalent to approximately HK\$55,380,000) during the Term (the "**Fixed Rent**"). In addition to the Fixed Rent, subject to the other terms and conditions set out in the Lease, the Lessee shall pay to the Lessor contingent amounts for the sharing of the NOI for any calendar year based on certain ratios and NOI benchmarks to be agreed in the Lease.

Lessor's rights

The Lease provides, among other things, certain rights to the Lessor to participate in the management of the Properties:

(a) *Participation in Management Committee*

The Lessor shall have the option to appoint a representative to the management committee of the Properties (the "**Management Committee**"), which shall serve as an advisory body to the Lessee in connection with the operations of the Properties and shall, among other things, (i) participate in the approval of the annual plan, (ii) provide strategic guidance, (iii) advise on marketing plans, (iv) liaise with domestic and overseas partners including travel agencies, airlines, hotels and professional organizations, (v) promote international membership and visiting, and (vi) approve capital expenditure plans. The Lessor shall have veto rights in the Management Committee.

(b) *Approval of Annual Plan*

Each year during the Term, the Lessee shall prepare and submit for the Lessor's approval an annual plan for the operation of the Properties, which shall include (but is not limited to) (1) a schedule of corporate events (e.g. international tournaments) to be held at the Properties, (2) projected income and budgeted expenses for the year, (3) a schedule of the capital improvements approved by the Lessor to be completed in such year and (4) such other information as may be reasonably requested by the Lessor.

(c) *Annual Reporting*

Within 40 days of the end of each calendar year during the Term, the Lessee shall provide the Lessor with a written report showing the operating results for such quarter and year to date, including Gross Revenues, Expenses, NOI, the number of golf rounds played, including paid rounds by each guest or other category, expenditures made for capital improvements approved by the Lessor, and such other information as the Lessor may request.

(d) *Quarterly Reporting*

Within 30 days after the end of each calendar quarter during the Term, the Lessee shall provide the Lessor with a written report showing the operating results for such quarter and year to date including Gross Revenues, Expenses, NOI, the number of golf rounds played, including paid rounds by each guest or by other category, expenditures made for capital improvements approved by the Lessor and such other information as the Lessor may request.

(e) *Monthly Reporting*

Within 30 days after the end of each month during the term of the Lease, the Lessee shall provide the Lessor with a written report showing the operating results for such month and year to date, including Gross Revenues, Expenses, NOI, the number of golf rounds played, including paid rounds by each guest or other category, expenditures made for capital improvements approved by the Lessor, and such other information as the Lessor may request.

(f) *Audit rights*

The Lessee is required to maintain a comprehensive system of office records, books and accounts which shall be entered fully and accurately for each financial transaction with respect to the operation of the Properties. Such books and records shall be kept for a period of five years after the close of each calendar year, regardless of whether the five-year period extends beyond the Term, and the Lessor and its representatives shall have the right to inspect and audit such books and records at all times.

INFORMATION ON THE PROPERTIES

The Properties comprise eight golf courses, namely:

1. The Golf Club at Newcastle (located in Newcastle, Washington);
2. Washington National Golf Club (located in Auburn, Washington);
3. The Golf Club at Redmond Ridge (located in Redmond, Washington);
4. Trophy Lake Golf & Casting (located in Port Orchard, Washington);
5. Harbour Pointe Golf Club (located in Mukilteo, Washington);
6. The Golf Club at Hawks Prairie (located in Lacey, Washington);
7. The Plateau Club (located in Sammamish, Washington); and
8. Indian Summer Golf & Country Club (located in Olympia, Washington).

The above golf courses are all located in Washington State, US with a total site area of approximately 1,887.32 acres.

The Properties provide a total of 180 golf holes with clubhouses and various amenities.

INFORMATION ON THE PARTIES

The Company

As at the date of this announcement, the Group is principally engaged in the core business of Recreational/Tourism Business and Property Investment Business, and the affiliated business of Intelligent Information Business.

Consistent with the Group's prudent and steady investment principle, the Company mainly focuses on merger and acquisition opportunities in developed economies and will seek new investment opportunities in sectors such as property investment, real estate development and public infrastructure. The Company will continue to actively explore overseas investment opportunities including golf courses in order to enhance the existing principal business of the Company and create synergy with HNA Group Co., Ltd.* (海航集團有限公司). Abiding by the above strategies, the Group will strive to build a business conglomerate which delivers stable cash flow and great growth prospects and to achieve a good balance between risks and benefits.

The Company has been identifying investment opportunities for the Property Investment Business, including but not limited to commercial properties and property management companies in Hong Kong, Europe, North America and Australia. As of the date of this announcement, no definitive agreement has been entered into in respect of the aforesaid investment opportunities.

The Sellers and the Lessee

As at the date of this announcement, each of the Sellers is incorporated in Washington, the US and is an investment holding company. The Lessee, based in Seattle, is currently an affiliate of the Sellers and a wholly-owned subsidiary of Oki Development, Inc., which is currently the operator and manager of the Properties with more than 20 years' experience and track record in golf club management.

Financial information attributable to the Properties

Set out below are certain unaudited financial information attributable to the Properties for the years ended 31 December 2015 and 31 December 2014:

	For the year ended 31 December	
	2015 (<i>approx.</i>)	2014 (<i>approx.</i>)
Net profit before taxation	HK\$13,176,000	HK\$744,000
Net profit after taxation	HK\$13,176,000	HK\$744,000

The value of the Properties as at 30 September 2016 was US\$139,700,000 (equivalent to approximately HK\$1,089,660,000) according to the valuation by an independent valuer.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios (as defined under the Listing Rules) of the Acquisition exceed 25% but are below 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Hong Kong HNA is a direct shareholder of the Company holding 6,510,130,189 Shares (representing approximately 57.11% of the total number of issued Shares) as at the date of this announcement. To the best knowledge, information and belief of the Board, no Shareholder is required to abstain from voting at a general meeting of the Company to be convened for the approval of the Purchase and Sale Agreement and the transactions contemplated thereunder. Accordingly, the Company intends to obtain a written shareholder's approval from Hong Kong HNA for approving the Purchase and Sale Agreement and the transactions contemplated thereunder in lieu of holding a general meeting of the Company according to Rule 14.44 of the Listing Rules.

The circular containing, amongst other things, information in relation to the Purchase and Sale Agreement and the Lease and the transactions contemplated thereunder respectively, the financial information attributable to the Properties, and a valuation report on the Properties is expected to be despatched to the Shareholders for their information on or before 23 November 2016, as the Company requires additional time to prepare necessary information for inclusion in the circular.

REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE LEASE

The Group is principally engaged in the core businesses of Recreational/Tourism Business and Property Investment Business, and the affiliated business of Intelligent Information Business. It is the disclosed intention of the Company to continue to strengthen and expand such principal businesses, and at the same time explore opportunities to further diversify the Group's businesses with a view to further enhancing the growth of the Group and creating value for Shareholders.

The Board believes that the Acquisition and the Lease are in line with the Group's business strategy and considers that the terms of the Acquisition and the Lease are fair and reasonable and in the interests of the Company and its shareholders as a whole for the following reasons:

Seize the opportunities in golf tourism market

In view of the development of outbound tourism from the PRC in recent years, the Directors are of the view that the prospects of recreational and tourism activities (in particular, golf tourism) in the global market are promising mainly due to the continuing growth in the number of high-net-worth outbound tourists, the increasing trend of pursuit of healthy lifestyles, the rising demand for leisure and social activities, and the increase in the expenditure of the outbound tourists from the PRC. To stay ahead of such trend, the Group has been actively exploring overseas investment opportunities for golf courses and clubs in order to enhance the existing core Recreational/Tourism Business of the Group.

The Board notes Seattle's increasing domestic demand for social and recreational facilities due to its good economic fundamentals and that Seattle has been one of the attractive destinations for tourists in the North America. Hence, the Board considers it a good time to seize the opportunity to explore the Seattle golf tourism market. The Directors are of the view that Seattle will be an excellent gateway to tap into the North America (especially the US) golf tourism market, which has good long term prospects and development potentials in the foreseeable future. Therefore, the Directors are of the view that the Acquisition presents a good investment opportunity that allows the Group to step up its presence in the North America golf tourism market by capturing local and tourists' demand.

Upgrade the Group's golf tourism portfolio

The Group currently owns and operates a golf and resort club in Dongguan City, Guangdong Province, the PRC. The golf courses in Newcastle, Seattle to be acquired under the Acquisition are one of the world-class golf courses in Seattle, as well as in the US.

The Group intends to continue developing the Recreational/Tourism Business through the Acquisition and the Lease whereby the Group would be able to generate a synergistic effect with its existing golf courses. The Company considers that the Acquisition presents opportunities to enhance product mix and development through collaborations with an experienced golf club management group in North America, such as reciprocal club membership, golf tournaments and other golf tourism-related products.

Strategic collaboration with an experienced management group

Upon Closing, the Lessor will lease the Properties to the Lessee, currently an affiliate of the Sellers and a wholly-owned subsidiary of Oki Development, Inc., which is currently the operator and manager of the Properties with more than 20 years' experience and track record in golf club management. Pursuant to the Lease, the Lessee will continue to manage and operate the Properties for five years after Closing (extendable subject to mutual agreement), so that the Group can leverage on the Lessee's expertise, skills and experience in the golf club management industry in North America.

GENERAL

As Closing is subject to the satisfaction and/or waiver (if applicable) of the conditions precedent under the Purchase and Sale Agreement, the Acquisition may or may not proceed to Closing. Accordingly, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Acquisition”	the acquisition of the Properties by the Company pursuant to the terms and conditions of the Purchase and Sale Agreement and the transactions contemplated thereunder
“Board”	the board of Directors
“Closing”	consummation of the transaction contemplated by the Purchase and Sale Agreement
“Closing Date”	5 p.m. (Pacific Time) on 31 December 2016, or such other date as the Company and the Sellers may mutually agree
“Company” or “Purchaser”	HNA Holding Group Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company

“Earnest Money Deposit”	has the meaning ascribed to it in the paragraphs headed “Earnest Money Deposit” in this announcement
“Escrow Account”	has the meaning ascribed to it in the paragraphs headed “Earnest Money Deposit” in this announcement
“Escrow Agreement”	the escrow agreement to be entered into among the Sellers, the Company and the Escrow Holder, as soon as the form of the Escrow Agreement is confirmed by the Escrow Holder
“Escrow Holder”	Chicago Title Insurance Company, through its offices at Seattle, Washington, acting in its capacity as escrow holder
“Expenses”	all costs and expenses incurred by the Lessee in connection with the Lessee’s operation of the Properties
“Fixed Rent”	has the meaning ascribed to it in the section headed “Rent” in this announcement
“Feasibility Period”	an inspection period which shall end at 5 p.m. (Pacific Time) on the date which is 30 days from the date of the Purchase and Sale Agreement, provided that such period may be extended by the Company for not more than 50 days
“Gross Revenues”	the total gross receipts of any nature derived directly or indirectly from the Properties from all sources or from the use or operation thereof
“Group”	the Company and its subsidiaries as at the date of this announcement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong HNA”	Hong Kong HNA Holding Group Co. Limited, a company incorporated in Hong Kong with limited liability and a direct shareholder of the Company holding 6,510,130,189 Shares (representing approximately 57.11% of the total number of issued Shares) as at the date of this announcement
“Independent Third Party”	a person independent of the Company and its connected persons (as defined in the Listing Rules)
“Intelligent Information Business”	intelligent information business (the development and provision of system integration solutions, system design and sale of system hardware)

“Lease”	the lease to be entered into between the Lessor and the Lessee upon Closing, further details of which are set out in the section headed “The Lease” in this announcement
“Lessee”	Oki Golf Management LLC, currently an affiliate of the Sellers and a wholly-owned subsidiary of Oki Development Inc., which is currently the operator and manager of the Properties
“Lessor”	the Company or its affiliate
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Management Committee”	has the meaning ascribed to it in the section headed “Lessor’s rights” in this announcement
“NOI”	Gross Revenues less Expenses and Fixed Rent
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Properties”	the eight golf courses as described under the section headed “Information on the Properties” in this announcement, together with certain related assets
“Property Investment Business”	the business of property investment, management and development
“Purchase and Sale Agreement”	the real estate purchase and sale agreement entered into between the Company and the Sellers in relation to, among other things, the acquisition of the Properties by the Company
“Purchaser Closing Condition”	has the meaning ascribed to it in the section headed “The Purchase and Sale Agreement” in this announcement
“Recreational/Tourism Business”	the business of the provision of recreational and tourism services (including the operation of golf club and provision of hotel and leisure services)
“Sellers Closing Condition”	has the meaning ascribed to it in the section headed “The Purchase and Sale Agreement” in this announcement
“Sellers”	collectively, Newcastle Golf, L.L.C., Washington National Golf, LLC, Redmond Ridge Golf, LLC, Trophy Lake Golf, LLC, Harbour Pointe Golf, LLC, Hawks Prairie Golf, LLC, Plateau Golf, LLC and Indian Summer, LLC, each of which is a Washington limited liability company

“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term”	has the meaning ascribed to it in the section headed “The Lease” in this announcement
“US”	the United States of America
“US\$”	United States dollar, the lawful currency of the US
“Washington”	the State of Washington of the US
“%”	per cent.

Unless otherwise stated, the exchange rates adopted in this announcement for illustration purposes only is HK\$7.8=US\$1.00.

By order of the Board
HNA Holding Group Co. Limited
Xu Haohao
Executive Director

Hong Kong, 7 October 2016

As at the date of this announcement, the Board comprises Mr. Zhao Quan (Executive Director and Chairman), Mr. Li Tongshuang (Executive Director and Vice-chairman), Mr. Xu Haohao (Executive Director and Executive President), Mr. Zhang Ke (Executive Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Wang Hao (Non-executive Director), Mr. Leung Kai Cheung (Independent Non-executive Director), Mr. Liem Chi Kit, Kevin (Independent Non-executive Director) and Mr. Lam Kin Fung, Jeffrey (Independent Non-executive Director).

* *for identification purpose only*