

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **IMPERIAL PACIFIC INTERNATIONAL HOLDINGS LIMITED**

**博華太平洋國際控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1076)**

### **INSIDE INFORMATION GRANT OF CASINO RESORT DEVELOPER LICENSE AND RESUMPTION OF TRADING**

#### **GRANT OF CASINO RESORT DEVELOPER LICENSE**

The Board is pleased to announce that on 12 August 2014 (after trading hours), IPI and the CNMI have entered into the Casino License Agreement pursuant to which the Casino Resort Developer License has been granted to IPI for a term of twenty-five (25) years (with an option of IPI to extend for an additional fifteen (15) years), subject to the terms and conditions as stipulated therein.

The Applicant and IPI are actively looking for quality land on the Island of Saipan for the development of an integrated resort as well as engaging a team of specialists in the relevant fields, including construction planning, design and operational management, to develop and devise the concrete Implementation Schedules. The CNMI has agreed to actively assist IPI in efforts to secure suitable property for the required land.

The Company will, as and when appropriate, comply with all relevant requirements, and where necessary, make further announcement(s) in accordance with the Listing Rules if there is any further development in relation to the Casino Resort Developer License.

#### **RESUMPTION OF TRADING**

Trading in the Shares was halted at the request of the Company with effect from 9:00 a.m. on Wednesday, 13 August 2014 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the trading in the Shares to resume from 1:00 p.m. on Wednesday, 13 August 2014.

This announcement is made by Imperial Pacific International Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 21 April 2014, 7 May 2014, 17 June 2014, 18 June 2014, 2 July 2014, 15 July 2014 and 1 August 2014 (the “**Announcements**”) in relation to, among other matters, the possible major transaction of the Group regarding the Application for the Casino Resort Developer License for the Island of Saipan. Unless otherwise defined, terms used herein shall have the same meanings as defined in the Announcements.

## **CASINO LICENSE AGREEMENT**

The Board is pleased to announce that on 12 August 2014 (after trading hours), Imperial Pacific International (CNMI), LLC (“**IPI**”), a wholly-owned subsidiary of the Applicant, and the CNMI have entered into a casino license agreement in respect of the Casino Resort Developer License (the “**Casino License Agreement**”) pursuant to which the Casino Resort Developer License has been granted to IPI subject to the terms and conditions as stipulated therein.

Major terms of the Casino License Agreement are set out as follows:

### **Date**

12 August 2014 (after trading hours)

### **Parties**

- (i) the CNMI; and
- (ii) IPI.

### **Term of Casino Resort Developer License**

The Casino Resort Developer License is valid for twenty-five (25) years from the date of the Casino License Agreement with an option of IPI to extend such term for an additional fifteen (15) years (the “**Term**”).

### **Annual license fee**

The annual fee for the Casino Resort Developer License shall be US\$15 million (equivalent to approximately HK\$116.4 million) (“**Annual Fee**”), payable every year to the CNMI Treasurer on the anniversary of the issue date during the Term. The Annual Fee shall be adjusted every five years based on the cumulative change since the issue date in the Consumer Price Index as announced by the Commonwealth Department of Commerce for the Island of Saipan but shall not be less than US\$15 million (equivalent to approximately HK\$116.4 million).

Pursuant to the Escrow Agreement (as revised and supplemented by the amendments of escrow instructions dated 18 June 2014, 30 June 2014 and 1 August 2014 respectively), the Refundable Deposit has been paid to a third party escrow account designated by the CNMI Treasurer. Since the Casino Resort Developer License has been granted to IPI, the Refundable Deposit and any interest thereon shall be disbursed to the CNMI Treasurer as the required Annual Fee for the first and fifth year of the Casino Resort Developer License in accordance with the escrow instructions.

### **Integrated resort**

Based upon the business plan in support of the Application and in accordance with the Casino License Agreement, the new construction development requirements of IPI include, but are not limited to, the following:

- (i) 2,004 hotel rooms;
- (ii) 17,000m<sup>2</sup> of total gaming floor area;
- (iii) 13,532m<sup>2</sup> of food and beverage outlets (at least 23 outlets);
- (iv) 15,000m<sup>2</sup> of retail space;
- (v) 600 seat theatre;
- (vi) 9,094m<sup>2</sup> of meeting space including ballroom;
- (vii) a wedding chapel;
- (viii) 200 villas;
- (ix) 1,050m<sup>2</sup> of fitness area;
- (x) US\$100 million (equivalent to approximately HK\$776 million) themed entertainment facility; and
- (xi) 1,900m<sup>2</sup> of spa facility,

(collectively the “**Proposal Requirements**”).

Currently, IPI estimates that the total costs of these Proposal Requirements are approximately US\$3.14 billion dollars (equivalent to approximately HK\$24.4 billion), nevertheless, IPI shall review from time to time the business environment and market circumstances and may develop integrated resort(s) beyond the Proposal Requirements.

## **Implementation schedules**

Within sixty (60) days of the Casino License Agreement, IPI shall formulate implementation schedules for completion of all elements under the Proposal Requirements (“**Implementation Schedules**”).

Phase one development for the Proposal Requirements, establishing an integrated resort, shall be completed and in operations within thirty-six (36) months of sufficient land acquisition but no later than forty-two (42) months of the Casino License Agreement while phase two development of the Proposal Requirements, consisting of all remaining Proposal Requirements that have not been completed, shall be completed and in operations within eight years of the Casino License Agreement.

## **Prohibition on transfer of Casino Resort Developer License**

The Casino Resort Developer License may not be transferred, encumbered, assigned, pledged, or otherwise alienated without the express written authorization of the Casino Commission of the CNMI (collectively the “**License Transfer**”), except in the case of encumbrances related to financing by financial institution.

Any change in ownership of IPI shall be considered a License Transfer except where the change of ownership or common control is that of the Company, provided the increase in ownership or common control of an individual or entity is less than, or does not provide, 10% of total equity, control, or Shares of the Company (the “**Restriction**”). This Restriction applies to person(s) whose holdings increase beyond 10% and does not apply to any subsequent additions.

In this regard, the Board is working on methods to avoid any License Transfer and ensure compliance with the Restriction and may amend the Company’s Bye-laws if considered necessary after obtaining relevant legal advice. The Lottery Commission of the CNMI has agreed that any approval to be required from Shareholders and the Stock Exchange shall be obtained by the Company within 180 days from of the Casino License Agreement (unless extended by the CNMI or the Lottery Commission of the CNMI), however, until any such approval is obtained, or not granted, the current controlling Shareholder, Inventive Star, shall not reduce its shareholding in the Company to less than 50%.

The Applicant and IPI are actively looking for quality land on the Island of Saipan for the development of an integrated resort as well as engaging a team of specialists in the relevant fields, including construction planning, design and operational management, to develop and devise the concrete Implementation Schedules. The CNMI has agreed to actively assist IPI in efforts to secure suitable property for the required land.

The Company will, as and when appropriate, comply with all relevant requirements, and where necessary, make further announcement(s) in accordance with the Listing Rules if there is any further development in relation to the Casino Resort Developer License.

## **LISTING RULES IMPLICATION**

As set out in the Company's announcement dated 7 May 2014, the Application constitutes a major transaction for the Company under the Listing Rules and is subject to the announcements, reporting and Shareholders' approval requirements thereunder as the applicable percentage ratios in respect of the payment of the Application Fee and Refundable Deposit are greater than 25% but less than 100% for the purpose of Rule 14.07 of the Listing Rules.

Inventive Star, the controlling Shareholder holding 6,003,643,080 Shares, representing approximately 75% of the entire issued share capital of the Company, had given a written certificate to the Company to approve the Application in lieu of a general meeting pursuant to Rule 14.44 of the Listing Rules. Therefore, no general meeting of the Company will be convened for the purpose of approving the Application and the transactions contemplated thereunder (including the Casino License Agreement).

A circular containing, among other matters, further information on the Application and the transactions contemplated thereunder (including the Casino License Agreement) will be despatched to the Shareholders for information purposes on or before Friday, 29 August 2014.

In addition, the Guidance Letter stipulates that if the Group is directly or indirectly engaged in gambling activities and the operation of such gambling activities (i) fails to comply with the applicable laws in the areas where such activities operate; and/or (ii) contravenes the Gambling Ordinance, the Company or its business may be considered unsuitable for listing under Rule 8.04 of the Listing Rules, the Stock Exchange may direct the Company to take remedial action, and/or may suspend dealings in, or may cancel the listing of, the Shares. In this connection, the Group will comply with all applicable laws and the Listing Rules, including the requirements under the Guidance Letter, and is seeking legal advice thereon. Further announcement(s) will be issued to update the Shareholders as and when appropriate.

## **RESUMPTION OF TRADING**

Trading in the Shares was halted at the request of the Company with effect from 9:00 a.m. on Wednesday, 13 August 2014 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the trading in the Shares to resume from 1:00 p.m. on Wednesday, 13 August 2014.

*In this announcement, save as otherwise stated, figures in US\$ are translated to HK\$ at the exchange rate of US\$1.00 = HK\$7.76 for illustration purpose only. No representation is made that any amount in US\$ or HK\$ would have been or can be converted at the above rate.*

By order of the Board  
**Imperial Pacific International Holdings Limited**  
**Cai Lingli**  
*Executive Director*

Hong Kong, 13 August 2014

*As at the date of this announcement, the Board comprises Ms. Cai Lingli and Ms. Xia Yuki Yu as executive directors; and Mr. Ng Hoi Yue, Mr. Tso Hon Sai Bosco and Mr. Lee Kwok Leung as independent non-executive directors.*

*In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*