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## **Hanfort Development Holdings Limited**

### **漢成發展控股有限公司\***

*(formerly known as SINO GOLF HOLDINGS LIMITED 順龍控股有限公司\*)*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00361)**

## **DISCLOSEABLE TRANSACTION IN RELATION TO LEASE AGREEMENT**

### **THE AGREEMENT**

The Board hereby announces that on 13 March 2026, the Lessee, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Landlord, pursuant to which the Landlord agreed to lease the Premises to the Lessee for a term of 12 years.

### **LISTING RULES IMPLICATIONS**

In accordance with HKFRS 16 “Leases”, the Group will recognise right-of-use assets in the consolidated financial statements of the Group upon the handover of the Premises. Accordingly, the lease transaction under the Agreement will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the value of the right-of-use assets in connection with the lease of the Premises under the Agreement exceed 5% but all are less than 25%, the transaction contemplated under the Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements but exempt from the shareholders’ approval requirement under the Listing Rules.

### **THE AGREEMENT**

The principal terms of the Agreement are set out as follows:

**Date:** 13 March 2026

**Parties:** The Landlord and the Lessee

**Term:** The lease term (the “**Term**”) shall be a fixed term of 12 years, commencing from the date of handover of the Premises (the “**Handover Date**”), which shall be no later than 31 October 2026.

The Lessee is granted an option to renew the lease by giving six-month prior written notice to the Landlord before the expiry of the Term.

**Leased properties:** The Premises are located at Lot CN12, Nam Cau Kien Industrial Park, Thien Huong Ward, Hai Phong City, Vietnam, with a total rental area temporarily estimated at 10,244 m<sup>2</sup>, consisting of two separate single-story factory buildings under construction (each including office space).

**Proposed usage:** The Premises will be rented as factories for the manufacturing of sports and athletic equipment (specifically, golf-related products) and for carrying out other business and production activities in accordance with the business needs.

**Conditions precedent:** The Lessee and the Landlord will enter into the Second Agreement (i) within 7 days after the date of confirmation from the Landlord having confirmed that all the following conditions precedent being satisfied; and (ii) in any event, no later than 31 October 2026.

The execution of the Second Agreement is conditional upon satisfaction of the following conditions precedent:

- (i) the Landlord having completed the construction of the Premises in accordance with the approved construction dossier and having obtained the relevant construction permit issued by the People’s Committee of Thien Huong Ward;
- (ii) the Landlord having obtained the fire prevention system acceptance certificate for the Premises from the competent authority;
- (iii) the technical infrastructure connection points (including electricity supply, water supply and wastewater treatment) being available to use for the Premises;
- (iv) the Landlord having submitted the environmental registration dossier to the competent authority with acknowledgment of receipt; and

- (v) the Landlord having obtained all other permits and approvals required by Vietnamese law for the lawful operation and use of the Premises.

**Rent:**

The total rent to be payable by the Lessee to the Landlord for the Term is estimated to be approximately USD7,229,703 (equivalent to approximately HKD56,392,000) (the “**Rent**”).

The monthly rent for the Premises (excluding VAT, the management service fees and utilities) shall be:

- (i) USD48,659 (equivalent to approximately HKD380,000) for the first 4 years of the Term, which is calculated based on USD4.75/m<sup>2</sup>/month;
- (ii) USD51,220 (equivalent to approximately HKD400,000) for the 5<sup>th</sup> to 8<sup>th</sup> year of the Term, which is calculated based on USD5.00/m<sup>2</sup>/month; and
- (iii) USD53,781 (equivalent to approximately HKD419,000) for the 9<sup>th</sup> to 12<sup>th</sup> year of the Term, which is calculated based on USD5.25/m<sup>2</sup>/month.

The Lessee may, at its option, prepay the rent for a period of 4 years in advance in the total amount of USD2,089,776 upon the end of the rent-free period at a discounted rental rate of USD4.25/m<sup>2</sup>/month.

The Rent was determined and arrived at after arm’s length negotiation between the Lessee and the Landlord, taking into account (i) the prevailing market rent of comparable properties in the vicinity and the size of the Premises with similar floor area, and (ii) the general market conditions.

**Rent-free period:**

A rent-free period of 3 months shall be granted by the Landlord commencing from the Handover Date.

**Payment terms:**

The Rent is payable in VND by the Lessee to the Landlord on a quarterly basis. The VND/USD exchange rate shall be determined by the average of Vietinbank’s transfer buying and selling rates published on 25 June and 25 December of each calendar year.

**Security Deposit:**

A deposit of USD291,954 (equivalent to approximately HKD2,277,000) (the “**Security Deposit**”) shall be payable by the Lessee to the Landlord, representing six months’ rent in respect of the Premises. The Security Deposit shall be payable in two instalments as follows:

- (i) USD97,318 (equivalent to approximately HKD759,000) shall be paid within 10 days from the date of the Agreement; and
- (ii) The remaining USD194,636 (equivalent to approximately HKD1,518,000) shall be paid within 10 days from the date of execution of the Second Agreement.

After the termination or expiry of the Second Agreement, the Landlord shall return the Security Deposit to the Lessee after deducting:

- (i) any outstanding arrears of Rent, management service fees or utility charges;
- (ii) any damages incurred to the Premises (excluding damages arising from ordinary wear and tear or caused by force majeure events); and
- (iii) any other amounts due and payable by the Lessee to the Landlord under the Second Agreement.

The Landlord shall return the remaining Security Deposit, if any, to the Lessee without any interest and within seven days from the date of handover of the Premises by the Lessee to the Landlord upon expiry or termination of the Second Agreement.

If the Second Agreement is not signed by 31 October 2026 due to the Lessee’s refusal to proceed despite the Landlord having satisfied all conditions precedent, the Landlord is entitled to forfeit the first Security Deposit instalment.

If the Second Agreement is terminated due to the Lessee’s default (including failure to pay the Rent for two consecutive periods), the Landlord may forfeit the Security Deposit in full.

If the Second Agreement is not signed by 31 October 2026 due to the Landlord's failure to satisfy the foregoing conditions precedent or breach of the Agreement, the Landlord must return the first instalment of the Security Deposit and pay a penalty equivalent to 100% of the first instalment of the Security Deposit to the Lessee.

**Termination:**

The Agreement may be terminated upon the occurrence of certain events, including mutual written agreement, execution of the Second Agreement, failure to complete handover or sign the Second Agreement by 31 October 2026, material breach of representations or warranties under the Agreement not remedied within a reasonable period, or a force majeure event continuing for more than 90 days.

The Lessee may terminate the Second Agreement from the 9<sup>th</sup> year of the Term by giving the Landlord at least six months' prior written notice, for any reason and without penalty.

**THE RIGHT-OF-USE ASSETS**

The unaudited value of the right-of-use assets to be recognised by the Company under the Agreement is approximately USD5,558,877 (equivalent to approximately HKD43,360,000), being the present value of the aggregate lease payments in accordance with HKFRS 16. The discount rate of 4.5% per annum is applied to compute the present value of the aggregate lease payments under the Agreement. The final amount of the right-of-use asset recorded by the Company will be subject to audit.

**REASONS FOR AND BENEFITS OF THE AGREEMENT**

The Premises is situated at a convenient and strategic location in proximity to the Lessee's existing factories, which facilitates efficient coordination of operations and management oversight. The surrounding infrastructure is well developed and suitable for the Lessee's operational needs, enabling smooth logistics and supporting the Lessee's ongoing business activities.

The size, layout and overall space of the Premises align with the Lessee's requirements and represent the type of premises that the Lessee has been seeking. Having considered the suitability of the location, infrastructure support and the configuration of the Premises, the rental of the Premises represents a good commercial opportunity and is in the interests of the Lessee. The payment of the Rent will be funded by the internal resources of the Group.

The Directors are of the view that entering into of the Agreement is beneficial to the Group and the terms under the Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

The Board (including the independent non-executive Directors) are of the view that (i) the terms of the Agreement are fair and reasonable; (ii) the transaction contemplated under the Agreement is conducted on normal commercial terms and in the ordinary and usual course of business of the Group; and (iii) the entering into of the Agreement and the transaction thereunder are in the interests of the Group and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

In accordance with HKFRS 16 “Leases”, the Group will recognise right-of-use assets in the consolidated financial statements of the Group upon the handover of the Premises. Accordingly, the lease transaction under the Agreement will be regarded as an acquisition of assets by the Group for the purpose of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the value of the right-of-use assets in connection with the lease of the Premises under the Agreement exceed 5% but all are less than 25%, the transaction contemplated under the Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements but exempt from the shareholders’ approval requirement under the Listing Rules.

## **INFORMATION ABOUT THE PARTIES**

### **The Lessee**

The Lessee is an indirect wholly-owned subsidiary of the Company and is principally engaged in the manufacturing of golf equipment and related components.

The Company is incorporated in Bermuda as an exempted company with limited liability, the issued Shares of which are listed on the Main Board of 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 in the PRC.

### **The Landlord**

The Landlord is a company incorporated in Vietnam and is principally engaged in real estate business activities. The Landlord is owned as to 46% of the paid-up capital by Huashuo Plastic, 3% of the paid-up capital by Mr. QIU and 51% of the paid-up capital by Greengrow Industries. Based on the information available to the Company and to the best knowledge of the Company after reasonable enquiries, as at the date of this announcement, Huashuo Plastic is wholly-owned by Ms. Zhang Xiaolan, an individual resided in the PRC; Greengrow Industries is ultimately controlled by Mr. Nguyen.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Landlord and its ultimate beneficial owner(s) are Independent Third Parties.

## GENERAL

None of the Directors has a material interest in the transaction contemplated under the Agreement and none of them has abstained from passing the relevant Board resolution.

## DEFINITION

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

“Agreement”	the agreement dated 13 March 2026 entered into between the Lessee and the Landlord, pursuant to which the Landlord agreed to lease and the Lessee agreed to take the Premises, for a term of 12 years
“Board”	board of Directors
“Company”	Hanfort Development Holdings Limited 漢成發展控股有限公司 (stock code: 00361), a company incorporated in the Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Greengrow Industries”	Greengrow Industries Joint Stock Company, a company incorporated in Vietnam with limited liability
“Group”	the Company and its subsidiaries from time to time
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huashuo Plastic”	Huashuo Plastic (HK) Limited, a company incorporated in Hong Kong with limited liability
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the Listing Rules)

“Landlord”	Huashuo Vietnam Joint Stock Company, a company incorporated in Vietnam with limited liability
“Lessee”	Hio Pro (Vietnam) Sporting Goods Company Limited, a company incorporated in Vietnam with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Nguyen”	Mr. Nguyen Duy Lieu, an individual who is a resident in Vietnam
“Mr. QIU”	Mr. QIU, JIDE, an individual who is a resident in the PRC
“Premises”	Lot CN12, Nam Cau Kien Industrial Park, Thien Huong Ward, Hai Phong City, Vietnam, with a total rental area temporarily estimated at 10,244 m <sup>2</sup> , consisting of two separate single-story factory buildings under construction (each including office space)
“PRC”	the People’s Republic of China
“Second Agreement”	the lease agreement to be entered into on or before 31 October 2026 between the Lessee and the Landlord which will include further details on the terms and conditions of the lease contemplated under the Agreement according to Vietnamese law
“Share(s)”	ordinary share(s) of HKD0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollar, the lawful currency of the United States of America
“VAT”	value added tax imposed by the Vietnamese government
“VND”	Vietnamese Dong, the lawful currency of Vietnam
“%”	per cent
“m <sup>2</sup> ”	square metre

*In this announcement, for the purpose of illustration only, amounts quoted in USD have been converted into HKD at the rate of USD1 to HKD7.8. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*

By order of the Board  
**Hanfort Development Holdings Limited**  
**LIU Jincheng**  
*Executive Director*

Hong Kong, 13 March 2026

*As at the date of this announcement, the Board comprises: (i) Mr. Liu Jincheng as an executive Director; (ii) Mr. Sun Xiongfei as a non-executive Director; and (iii) Mr. Choi Sum Shing Samson, Ms. Jiang Haiyan and Mr. Wu Weifeng as independent non-executive Directors.*

\* *For identification purpose only*