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SUNCITY GROUP HOLDINGS LIMITED

太陽城集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1383)

**TECHNICAL SERVICES AGREEMENT RELATING TO PROVISION OF
TECHNICAL AND PRE-OPENING SERVICES TO
AN INTEGRATED RESORT PROJECT IN VIETNAM**

The Company is pleased to announce that after arm's length negotiations, on 22 September 2017, the Management Van Don Subsidiary entered into the Technical Services Agreement with the Project Owner.

The Project Owner is a company incorporated in Vietnam and as represented by the Project Owner, the Project Owner owns and is in the course of developing an integrated resort project in Van Don District, Quang Ninh Province, Vietnam.

Reference is made to the announcement of the Company dated 27 February 2017 in relation to, among others, the entering into the MOU by the Management Subsidiary with an affiliate company of the Project Owner in relation to the provision of consultancy and management services to the Project.

The Company is pleased to announce that after arm's length negotiations, on 22 September 2017, the Management Van Don Subsidiary entered into the Technical Services Agreement with the Project Owner. The principal terms of the Technical Services Agreement are set out below.

THE TECHNICAL SERVICES AGREEMENT

Date: 22 September 2017

Parties: (i) The Management Van Don Subsidiary

(ii) The Project Owner

The Project Owner is a company incorporated in Vietnam and as represented by the Project Owner, the Project Owner owns and is in the course of developing an integrated resort project (the “**Project**”) in Van Don District, Quang Ninh Province, Vietnam. To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Project Owner and its ultimate beneficial owner(s) are Independent Third Parties.

Appointment

Pursuant to the terms of the Technical Services Agreement, the Project Owner appoints the Management Van Don Subsidiary for the duration of the Term of the Technical Services Agreement to provide the Services to the Project Owner in an advisory capacity and subject to and in consideration of receipt of the Services Fee, the Management Van Don Subsidiary shall, or shall cause its affiliate to, provide the Services to the Project Owner.

Services under the Technical Services Agreement

The Project Owner and the Management Van Don Subsidiary anticipate that the opening date of the Project will be 31 March 2019 or another date which shall be prior noticed by the Project Owner in accordance with the provisions of the Technical Services Agreement (the “**Opening Date**”).

The Management Van Don Subsidiary shall during the Term of the Technical Services Agreement, provide Pre-Opening Services as set out in the Technical Services Agreement in relation to the development, set up and preparation for the opening of the Project to the public on the Opening Date.

The Management Van Don Subsidiary shall during the Term of the Technical Services Agreement provide various Technical Services in accordance with the terms of the Technical Services Agreement including but not limited to relevant design guidelines and engagement of consultants and layout plans.

Services Fee

The Project Owner shall pay to the Management Van Don Subsidiary the Services Fee on the following basis:

- (a) the sum of US\$250,000 to be paid in advance within 15 days from the date of signing of the Technical Services Agreement;
- (b) the sum of US\$250,000 to be paid within 15 days after the Project Owner receives all the payment documents after 6 months from the Effective Date; and
- (c) thereafter, if the Services are agreed by the Project Owner and the Management Van Don Subsidiary to be required to be performed beyond the Term, a monthly fee of US\$41,667 to be paid in arrears for each month.

Payment documents to be provided shall include:

- the Management Van Don Subsidiary's invoice indicating the amount payable pursuant to the Technical Services Agreement for the provided Services; and
- an acceptance certificate duly signed by the Project Owner and the Management Van Don Subsidiary, confirming that the Services were rendered.

REASONS FOR THE ENTERING INTO OF THE TECHNICAL SERVICES AGREEMENT

As disclosed in the announcement of the Company dated 14 July 2016, by integrating its hotel consultancy service business, the Group plans to provide consultancy, advisory and technical services for large scale resorts and/or gaming and entertaining facilities in locations with rapid growth in the tourism industry.

The entering into of the Technical Services Agreement represents the first step of the Group to provide consultancy, advisory and technical services for large scale resorts with gaming and entertainment facilities. The Company will continue to expand its business scope in order to maximize returns for its Shareholders.

The Technical Services Agreement is of revenue nature in the ordinary and usual course of business of the Group and the Board considers that the terms and conditions of the Technical Services Agreement, including but not limited to the Services Fee, are fair and reasonable and in the interests and its Shareholders as a whole.

In further pursuance of the MOU, the casino management agreement is expected to be entered into between the Project Owner and the Group within six (6) months after the entering into of the Technical Services Agreement subject to further arm's length negotiations.

DEFINITIONS

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

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day other than a Saturday, Sunday or public holiday on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Suncity Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1383)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Effective Date”	1 April 2017
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of, and not connected with, the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Subsidiary”	Suncity Group Management and Consultancy Limited, a company incorporated in Macau with limited liability, being an indirect wholly-owned subsidiary of the Company
“Management Van Don Subsidiary”	Suncity Group Management and Consultancy (Van Don) Limited, a company incorporated in Macau with limited liability, being an indirect wholly-owned subsidiary of the Company

“MOU”	the non-legally binding memorandum of understanding dated 27 February 2017 and entered into between the Management Subsidiary and an affiliate company of the Project Owner
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Project”	an integrated resort project to be developed in Van Don District, Quang Ninh Province, Vietnam
“Project Owner”	Van Don Sun Joint Stock Company, a company incorporated in Vietnam
“Pre-Opening Services”	the pre-opening services provided and to be provided by the Management Van Don Subsidiary to the Project Owner under the Technical Services Agreement
“Services”	collectively the Pre-Opening Services and the Technical Services
“Services Fee”	the services fee payable by the Project Owner to the Management Van Don Subsidiary under the Technical Services Agreement
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Technical Services Agreement”	the technical services agreement dated 22 September 2017 and entered into between the Project Owner and the Management Van Don Subsidiary
“Technical Services”	the technical services provided and to be provided by the Management Van Don Subsidiary under the Technical Services Agreement
“Term”	the twelve-month period from the Effective Date
“Vietnam”	Socialist Republic of Vietnam

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

“US\$”

United States dollars, the lawful currency of the United States of America

By order of the Board
Suncity Group Holdings Limited
Chau Cheok Wa
Chairman

Hong Kong, 22 September 2017

As at the date of this announcement, the executive Directors are Mr. Chau Cheok Wa, Mr. Lo Kai Bong, Mr. Au Chung On John and Mr. Manuel Assis Da Silva; and the independent non-executive Directors are Mr. Tou Kin Chuen, Dr. Wu Kam Fun Roderick and Mr. Lo Wai Tung John.