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海天地悅旅集團有限公司  
S.A.I. LEISURE GROUP COMPANY LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1832)**

## **VOLUNTARY ANNOUNCEMENT**

### **POTENTIAL IMPACT OF THE NOVEL CORONAVIRUS DISEASE OUTBREAK ON BUSINESS**

This announcement is made by the Company on a voluntary basis for the purpose of keeping the Shareholders and potential investors of the Company informed on the potential impact of the Novel Coronavirus Disease outbreak on the business operations of the Group.

The Board wishes to inform the Shareholders and potential investors of the Company that the recent outbreak of the Novel Coronavirus Disease and the consequential measures implemented by the government authorities of the PRC and the U.S. (including but not limited to travel bans) have caused and is likely to continue to cause a significant decline in tourists from Mainland China to Saipan. Such decline potentially has a significant impact on the business operations of the Group.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

The Group is engaged in (1) hotel and resort operations in Saipan and Guam; (2) travel retail business of luxury and leisure clothing and accessories in Saipan, Guam and Hawaii; and (3) the provision of destination services in Saipan including the operation of souvenir and convenience stores, the operation of excursion tours and the provision of land arrangement and concierge services. We generate all of our revenue from these three business sectors.

Saipan is the principal base of the Group's business operations. A significant percentage of our revenue is derived from Saipan. As tourists from Mainland China, South Korea and Japan contribute as the largest source of overseas tourists in Saipan, a significant decline in tourists from Mainland China would have a direct impact on the business operations of the Group.

## **Measures imposed by PRC authorities to control the Novel Coronavirus Disease**

In view of the outbreak of the Novel Coronavirus Disease, a number of provinces and municipalities in Mainland China have activated level I (the highest-level) response to major public health emergencies and adopted various strict measures to curb the spread of the Novel Coronavirus Disease.

On 23 January 2020, the Wuhan Epidemic Control Centre published a notice to impose lockdown measures in Wuhan in an effort to quarantine the epicenter of the Novel Coronavirus Disease. Residents are not permitted to leave Wuhan (save for special reasons), the airport and train stations are shut down, and all means public transport have been suspended. Similar lockdown measures are then imposed on other cities in Hubei Province.

On 24 January 2020, the General Office of the Ministry of Culture and Tourism (文化和旅游部辦公廳) of the PRC issued emergency notices to the Department of Culture and Tourism of all provinces, autonomous regions and municipalities in Mainland China, requiring the suspension of business operations of all travel agencies, the suspension of all tour operations and the sale of “air ticketing and hotel booking” products.

In view of the increasing number of confirmed cases of the Novel Coronavirus Disease, a number of other cities in Mainland China, including municipalities such as Beijing and Shanghai, have since imposed various lockdown measures to curb the spread of the Novel Coronavirus Disease.

Owing to the measures imposed by the PRC authorities, the number of tourists travelling from or via Mainland China to Saipan has significantly reduced. Such reduction is likely to continue unless and until the measures are lifted.

## **Measures imposed by U.S. authorities to control the Novel Coronavirus Disease**

On 29 January 2020, the Governor of the CNMI issued an executive order which directed the relevant authority to seek to suspend travelers from Mainland China arriving directly and indirectly into the CNMI (including Saipan).

On 31 January 2020, the President of the U.S. issued the Proclamation which ordered the suspension and limitation on entry into the U.S. by certain foreign nationals. With effect from 2 February 2020, all foreign nationals (with certain exemptions) who were physically present within Mainland China during the 14-day period preceding their attempted entry are not permitted to enter into the U.S., including Saipan, Guam and Hawaii. The Proclamation will remain effective until terminated by the President of the U.S..

Owing to the travel ban imposed by the U.S. government, the number of tourists travelling from or via Mainland China to Saipan has significantly reduced. Such reduction is likely to continue unless and until the Proclamation is lifted.

## **Suspension of flights to and from Saipan**

Due to the Novel Coronavirus Disease outbreak, a number of airlines have suspended flights to and from Mainland China and Hong Kong. As of 11 February 2020, three airlines have suspended flights between Mainland China and Saipan, and one airline has suspended flights between Hong Kong and Saipan.

As a result of the suspension of flights, the number of tourists travelling to Saipan from or via Mainland China and Hong Kong has been and will be significantly reduced unless and until the measures are lifted.

## **Potential impact on the business operations of the Group**

The various measures imposed by the government authorities of the PRC and the U.S. as well as the suspension of flights to and from Saipan have caused and is likely to continue to cause a significant decline in tourists from Mainland China to Saipan. The Novel Coronavirus Disease outbreak has also dampened global travel sentiment, which may result in a decline in the number of tourists travelling from other countries to Saipan in the near future.

The Board foresees that a significant decline in tourists may cause a significant decline in (1) bookings for our hotels and resorts in Saipan, (2) sales of our travel retail business in Saipan and (3) revenue from our destination services in Saipan in the near future.

The Company will closely monitor the development of the Novel Coronavirus Disease outbreak and assess its impact on the business operations and financial performance of the Group. The Company will make further announcement(s) as and when necessary.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

<b>Beijing</b>	Beijing city of the PRC
<b>Board</b>	the board of directors of the Company
<b>CNMI</b>	the Commonwealth of the Northern Mariana Islands, a U.S. territory located in the Western Pacific Region
<b>Company</b>	S.A.I. Leisure Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1832)

<b>Director(s)</b>	the director(s) of the Company
<b>Group</b>	the Company and its subsidiaries
<b>Guam</b>	Guam, a U.S. territory located in the Western Pacific Region
<b>Hawaii</b>	the State of Hawaii, U.S.
<b>Hong Kong</b>	the Hong Kong Special Administrative Region of the PRC
<b>Hubei Province</b>	the Hubei province of the PRC
<b>Listing Rules</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>Mainland China</b>	the PRC exclusive of Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
<b>Novel Coronavirus Disease</b>	the disease named “COVID-19” by the World Health Organization, which is a respiratory disease caused by a novel coronavirus first detected in Wuhan in 2019
<b>PRC</b>	the People’s Republic of China
<b>Proclamation</b>	the “Proclamation on Suspension of Entry as Immigrants and Nonimmigrants of Persons who Pose a Risk of Transmitting 2019 Novel Coronavirus” issued by the President of the U.S. on 31 January 2020
<b>Saipan</b>	Saipan, the largest and most populated island in the CNMI
<b>SFO</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
<b>Shanghai</b>	Shanghai city of the PRC
<b>Shareholder(s)</b>	shareholder(s) of the Company
<b>Stock Exchange</b>	The Stock Exchange of Hong Kong Limited
<b>U.S.</b>	the United States of America, its territories, its possessions and all areas subject to its jurisdiction

<b>Western Pacific Region</b>	a sub-region of the Oceania continent which comprises Guam, the CNMI, the Republic of Palau, the Federated States of Micronesia, the Republic of Marshall Islands and other islands in the western Pacific Ocean
<b>Wuhan</b>	Wuhan city, Hubei Province
<b>Wuhan Epidemic Control Centre</b>	the novel coronavirus pneumonia epidemic control centre of Wuhan (武漢市新型冠狀病毒感染的肺炎疫情防控指揮部) under the government of Wuhan

On behalf of the Board  
**S.A.I. Leisure Group Company Limited**  
**Henry Tan**  
*Executive Director, Vice Chairman  
and Chief Executive Officer*

Hong Kong, 12 February, 2020

*As of the date of this announcement, the Board of Directors of the Company comprises: (1) Dr. TAN Henry, Mr. CHIU George, Mrs. SU TAN Jennifer Sze Tink and Mr. SCHWEIZER Jeffrey William as the Executive Directors; (2) Dr. TAN Siu Lin (Chairman) and Mr. TAN Willie as the Non-Executive Directors; and (3) Prof. CHAN Pak Woon David, Mr. MA Andrew Chiu Cheung and Mr. CHAN Leung Choi Albert as the Independent Non-Executive Directors.*