

*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.*



**英皇證券集團有限公司\***  
**Emperor Capital Group Limited**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 717)**

## **DISCLOSEABLE TRANSACTION**

### **RELATING TO THE PROVISION OF LOAN FACILITIES**

The Board announces that:

- (i) on 11 August 2014, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement C with Borrower C, under which the Lender has agreed to provide the Loan Facility C of up to HK\$150,000,000 to Borrower C; and
- (ii) within 12 months preceding the date of the Loan Agreement C, the Lender has (a) entered into the Loan Agreement B with Borrower B for providing the Loan Facility B of up to HK\$25,000,000 to Borrower B; and (b) rolled over the Loan Facility A of up to HK\$10,000,000 drawn down by Borrower A under the Loan Agreement A.

Borrower B is indirectly wholly-owned by Borrower A. Borrower A is a director and the controlling shareholder (as defined under the Listing Rules) of Borrower C. Borrower A, Borrower B and Borrower C are associated with one another under the Listing Rules and the transactions under the Loan Agreements should be aggregated for disclosure in complying with Rule 14.22 of the Listing Rules.

As the relevant percentage ratio (as defined under the Listing Rules) in respect of the aggregate amount of financial assistance granted to the Borrowers or their associates pursuant to the Loan Agreements within the period of 12 months immediately preceding and up to the date of the Loan Agreement C exceed 5% but are under 25%, this series of transactions constitutes discloseable transactions of the Company and is therefore subject to the announcement requirement as set out in the Listing Rules but is exempt from shareholders' approval requirement under the Listing Rules.

*\* for identification purposes only*

The Board announces that :

- (i) on 11 August 2014, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement C with Borrower C, under which the Lender has agreed to provide the Loan Facility C of up to HK\$150,000,000 to Borrower C; and
- (ii) within 12 months preceding the date of the Loan Agreement C, the Lender has (a) entered into the Loan Agreement B with Borrower B for providing the Loan Facility B of up to HK\$25,000,000 to Borrower B; and (b) rolled over the Loan Facility A of up to HK\$10,000,000 drawn down by Borrower A under the Loan Agreement A.

## **THE LOAN AGREEMENT A AND THE RENEWED LOAN AGREEMENT A**

### **Parties**

Lender: Emperor Finance

Borrower: Borrower A

### **Principal terms of the Loan Agreement A**

Date: 16 April 2013

Amount of the Loan Facility A: up to HK\$10,000,000, comprising (i) HK\$7,500,000 (“**Tranche A Loan**”); and (ii) HK\$2,500,000 (“**Tranche B Loan**”) (the maximum amount was fully drawn down by Borrower A after the date of the Loan Agreement A)

Repayment: on or before 29 April 2014 (subsequently rolled over under the Renewed Loan Agreement A)

Interest: Tranche A Loan - 10% per annum  
Tranche B Loan – 13% per annum

Security for the Loan Facility A: the Loan Facility A is secured by a second legal charge over a property located in Hong Kong in favour of the Lender as a continuing security for all monies owed by Borrower A

### **Principal terms of the Renewed Loan Agreement A**

Date: 23 April 2014

Amount of the Loan Facility A: up to HK\$10,000,000, comprising the Tranche A Loan and the Tranche B Loan

Repayment: on or before 29 April 2015

Interest: Tranche A Loan - 10% per annum  
Tranche B Loan – 13% per annum

Security for the Loan Facility A: the Loan Facility A is secured by a second legal charge over a property located in Hong Kong in favour of the Lender as a continuing security for all monies owed by Borrower A

**THE LOAN AGREEMENT B**

**Parties**

Lender: Emperor Finance

Borrower: Borrower B

**Principal terms of the Loan Agreement B**

Date: 3 September 2013

Amount of the Loan Facility B: up to HK\$25,000,000 (the maximum amount was fully drawn down by Borrower B after the date of the Loan Agreement B)

Repayment: within 1 year from the date of first drawdown

Interest: Prime Rate plus 4% per annum

Security for the Loan Facility B: the Loan Facility B is secured by an irrevocable and unconditional personal guarantee in favour of the Lender provided by Borrower A and a corporate guarantee in favour of the Lender provided by the immediate holding company of Borrower C.

**THE LOAN AGREEMENT C**

**Parties**

Lender: Emperor Finance

Borrower: Borrower C

**Principal terms of the Loan Agreement C**

Date: 11 August 2014

Amount of the Loan Facility C: up to HK\$150,000,000

Drawdown: available for drawdown within 1 month upon signing the Loan Agreement C

Repayment: within 1 year from the date of first drawdown

Interest:

- 1) 10% per annum for the 1st to the 3rd months from the date of drawdown;
- 2) 12% per annum for the 4th to the 6th months from the date of drawdown;
- 3) 15% per annum for the 7th to the 9th months from the date of drawdown; and
- 4) 18% per annum for the 10th to the 12th months from the date of drawdown

Security for the Loan Facility C: the Loan Facility C is secured by three respective share charges in favour of the Lender provided by three wholly-owned subsidiaries of Borrower C which are ultimately holding material assets in the PRC

## **INFORMATION AND RELATIONSHIP OF THE BORROWERS**

Borrower A is an individual as well as a director and the controlling shareholder (as defined under the Listing Rules) of Borrower C which is a company listed on the Stock Exchange. Borrower B is a company incorporated in Hong Kong and is indirectly wholly-owned by Borrower A. The principal activity of Borrower B is investment holding and its subsidiaries are engaged in properties investment. The principal activity of Borrower C is investment holding and its subsidiaries are principally engaged in providing interior decoration services and trading of furniture and fixtures.

Borrower A, Borrower B and Borrower C are associated with one another under the Listing Rules. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Borrower A, Borrower B, the guarantor of the Loan Facility B and its ultimate beneficial owner(s), and Borrower C are independent third parties not connected with the Company or connected persons of the Company.

## **REASONS FOR ENTERING INTO THE THIRD LOAN AGREEMENT**

The principal business activity of the Company is investment holding and its subsidiaries are principally engaged in the provision of financial services in Hong Kong, including (i) brokerage services for securities, futures and options traded on the exchanges in Hong Kong, the United States, Japan and the United Kingdom, as well as wealth management and asset management services; (ii) margin and initial public offering financings as well as loans and advances such as personal money lending and second mortgage loan; (iii) placing and underwriting services; and (iv) corporate finance advisory services.

The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending. The provision of the Loan Facilities is carried out as part of the ordinary and usual course of business activities of the Group. The Loan Facilities were / will be funded by internal resources of the Group.

The terms of the Loan Agreements were arrived at after arm's length negotiations between the Lender and the Borrowers. After considering (i) the securities for the Loan Facilities; and (ii) the expected revenue generated / to be generated and the attractive return to the Group, the Directors are of the view that the provision of the Loan Facilities under the Loan Agreements is on normal commercial terms which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As mentioned above, the Borrowers are associated with one another under the Listing Rules and the transactions under the Loan Agreements should be aggregated for disclosure in complying with Rule 14.22 of the Listing Rules.

As the relevant percentage ratio (as defined under the Listing Rules) in respect of the aggregate amount of financial assistance granted to the Borrowers or their associates pursuant to the Loan Agreements within the period of 12 months immediately preceding and up to the date of the Loan Agreement C exceed 5% but are under 25%, this series of transactions constitutes discloseable transactions of the Company and is therefore subject to the announcement requirement as set out in the Listing Rules but is exempt from shareholders' approval requirement under the Listing Rules.

## **DEFINITIONS**

“Board”	board of Directors of the Company
“Borrower A”	the borrower under the Loan Agreement A and an independent third party
“Borrower B”	the borrower under the Loan Agreement B and an independent third party
“Borrower C”	the borrower under the Loan Agreement C and an independent third party
“Borrowers”	Borrower A, Borrower B and Borrower C
“Company”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of The People's Republic of China
“Lender” or “Emperor Finance”	Emperor Finance Limited, a company incorporated in Hong Kong 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

“Loan Agreement A”	the loan agreement dated 16 April 2013 entered into between the Lender and Borrower A relating to the granting of the Loan Facility A
“Loan Agreement B”	the loan agreement dated 3 September 2013 entered into between the Lender and Borrower B relating to the granting of the Loan Facility B
“Loan Agreement C”	the loan agreement dated 11 August 2014 entered into between the Lender and Borrower C relating to the granting of the Loan Facility C
“Loan Agreements”	the Loan Agreement A, the Loan Agreement B, the Loan Agreement C and the Renewed Loan Agreement A
“Loan Facility A”	the loan facility in the amount of up to HK\$10,000,000 granted by the Lender to Borrower A pursuant to the terms of the Loan Agreement A
“Loan Facility B”	the loan facility in the amount of up to HK\$25,000,000 granted by the Lender to Borrower B pursuant to the terms of the Loan Agreement B
“Loan Facility C”	the loan facility in the amount of up to HK\$150,000,000 granted by the Lender to Borrower C pursuant to the terms of the Loan Agreement C
“Loan Facilities”	the Loan Facility A, the Loan Facility B and the Loan Facility C
“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, excludes Hong Kong, The Macau Special Administrative Region of the PRC and Taiwan
“Prime Rate”	the prime rate as determined by The Hongkong and Shanghai Banking Corporation Limited from time to time
“Renewed Loan Agreement A”	the loan agreement dated 23 April 2014 entered into between the Lender and Borrower A relating to the renewal of the Loan Agreement A
“Share(s)”	ordinary shares of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	holders of Shares

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

By order of the Board of  
**Emperor Capital Group Limited**  
**Daisy Yeung**  
*Managing Director*

Hong Kong, 11 August 2014

As at the date of this announcement, the Board comprises:

*Executive Directors:*

Ms. Daisy Yeung  
Mr. Chan Shek Wah  
Ms. Choi Suk Hing, Louisa  
Ms. Pearl Chan

*Independent Non-Executive Directors:*

Mr. Chu Kar Wing  
Mr. Poon Yan Wai  
Mr. Tse Hin Lin, Arnold