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**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**

## **PROVISION OF LOAN FACILITIES**

On 25 January 2022, the Lender entered into the Supplemental Loan Agreement (which is supplemental to Loan Agreement B) with Borrower I and Borrower III.

Within the period of 12 months immediately preceding and up to the date of the Supplemental Loan Agreement, the Lender had entered into Loan Agreement A in relation to the provision of Loan Facility A. The series of transactions under Loan Agreement A and Loan Agreement B (as supplemented by the Supplemental Loan Agreement) with the respective borrowers after aggregation constitute discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

The Board announces that:

- 1) on 25 January 2022, the Lender entered into the Supplemental Loan Agreement (which is supplemental to Loan Agreement B) with Borrower I and Borrower III; and
- 2) within the period of 12 months immediately preceding and up to the date of the Supplemental Loan Agreement, the Lender had entered into Loan Agreement A (with Borrower I and Borrower II) and Loan Agreement B in relation to the provision of Loan Facility A and Loan Facility B respectively.

*\* for identification purpose only*

The principal terms of the Loan Agreements are set out below:-

**Loan Agreement A**

- Date* : 14 September 2021
- Lender* : Emperor Finance
- Borrower* : Borrower I and Borrower II
- Amount of Loan Facility A* : HK\$18,000,000
- Repayment* : Within 12 months from the date of drawdown
- Interest* : (i) 12.6% per annum for the 1st month upon the date of drawdown  
(ii) 9.0% per annum for the 2nd month to 12th month upon the date of drawdown
- Security for Loan Facility A* : Loan Facility A is secured by a first mortgage over a commercial unit located in Shatin District, Hong Kong. Valuation has been conducted by independent valuers of such property on 6 August 2021 and 12 August 2021 and the average value of the said property is approximately HK\$30,000,000

**Loan Agreement B (as supplemented by the Supplemental Loan Agreement)**

- Date* : 30 November 2021 and 25 January 2022
- Lender* : Emperor Finance
- Borrower* : Borrower I and Borrower III
- Amount of Loan Facility B* : HK\$18,000,000 (increased to HK\$20,000,000 as supplemented by the Supplemental Loan Agreement)
- Repayment* : Within 12 months from the date of drawdown
- Interest* : (i) 12.6% per annum for the 1st month upon the date of drawdown  
(ii) 9.0% per annum for the 2nd month to 12th month upon the date of drawdown
- Security for Loan Facility B* : Loan Facility B is secured by a first mortgage over a commercial unit located in Kowloon Bay, Hong Kong. Valuation has been conducted by independent valuers of such property on 20 January 2022 and the average value of the said property is approximately HK\$28,750,000

The drawdown of the Loan Facilities is subject to, inter alia, satisfactory credit assessment on the Borrowers by the Lender. They are required to provide the Lender with other securities as requested by the Lender as from time to time.

## **INFORMATION OF THE BORROWERS**

Borrower I is a merchant as well as the sole director and sole ultimate beneficial owner of Borrower II and Borrower III. The Borrowers are connected or associated with each other under the Listing Rules. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Borrowers are Independent Third Parties.

## **REASONS FOR ENTERING INTO THE LOAN AGREEMENTS**

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial services, including (i) commercial and personal lending as well as margin and initial public offering financing; (ii) brokerage services, wealth management and asset management; (iii) placing and underwriting services for listed issuers; 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 services. The provision of the Loan Facilities is a transaction carried out as part of the ordinary and usual course of business activities of the Group. The Loan Facilities are funded by internal resources of the Group.

The terms of the Loan Agreements were negotiated on arm's length basis between the Lender and the Borrowers and were on normal commercial terms based on the Group's credit policy. Taking into account the results of due diligence on the financial background and repayment ability of the Borrowers and the stable interest income generated / expected to be generated from the Loan Facilities, the Directors consider that the terms of the Loan Agreements are fair and reasonable and the entering into of the same is in the interests of the Company and its Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the aggregate amount of financial assistance granted to the Borrowers or their associates within the period of 12 months immediately preceding and up to the date of the Loan Agreements exceed 5% but are under 25%, the transactions contemplated under the Loan Agreements constitute discloseable transactions of the Company and are therefore subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

## **DEFINITIONS**

“associate”	has the same meaning as ascribed to it under the Listing Rules
“Board” or “Directors”	board of directors of the Company
“Borrower I”	Mr. Lau Kong Sing, a borrower under the Loan Agreements, being an Independent Third Party to the Company and the sole director and sole ultimate beneficial owner of Borrower II and Borrower III
“Borrower II”	Procida Limited, another borrower under Loan Agreement A, being an Independent Third Party to the Company and a company incorporated in Hong Kong with limited liability

“Borrower III”	New Action International Limited, another borrower under Loan Agreement B, being an Independent Third Party to the Company and a company incorporated in Hong Kong with limited liability
“Borrowers”	Borrower I, Borrower II and Borrower III
“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
“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
“Independent Third Party(ies)”	person(s) (and in case of company(ies) and corporation(s), their ultimate beneficial owner(s)) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“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 14 September 2021 entered into between the Lender, Borrower I and Borrower II relating to the granting of Loan Facility A
“Loan Agreement B”	the loan agreement dated 30 November 2021 entered into between the Lender, Borrower I and Borrower III relating to the granting of Loan Facility B
“Loan Agreements”	Loan Agreement A and Loan Agreement B (as supplemented by the Supplemental Loan Agreement)
“Loan Facility A”	a loan facility in the amount of HK\$18,000,000 granted by the Lender to Borrower I and Borrower II pursuant to the terms of Loan Agreement A
“Loan Facility B”	a loan facility originally in the amount of HK\$18,000,000 and subsequently increased to HK\$20,000,000 (as supplemented by the Supplemental Loan Agreement) granted by the Lender to Borrower I and Borrower III pursuant to the terms of Loan Agreement B
“Loan Facilities”	Loan Facility A and Loan Facility B (as supplemented by the Supplemental Loan Agreement)

“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
“Shareholders”	holders of the ordinary shares of HK\$0.01 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Loan Agreement”	the supplemental loan agreement dated 25 January 2022 entered into between the Lender, Borrower I and Borrower III to supplement Loan Agreement B to increase Loan Facility B to HK\$20,000,000
“%”	per cent

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

Hong Kong, 25 January 2022

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

*Executive Directors:*

Ms. Daisy Yeung  
Ms. Choi Suk Hing, Louisa  
Ms. Pearl Chan

*Independent Non-Executive Directors:*

Mr. Chu Kar Wing  
Mr. Poon Yan Wai  
Ms. Wan Choi Ha