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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 FACILITY**

On 16 April 2021, the Lender entered into the Loan Agreement with Borrower A and Borrower B in relation to the provision of the Loan Facility of up to HK\$99,800,000 which is available for drawdown subject to the terms therein and shall be repaid within 6 months from the date of the drawdown.

Within 12 months immediately preceding and up to the date of the Loan Agreement, the Lender had entered into the Previous Loan Agreement with Borrower A in relation to the provision of a loan facility of up to HK\$99,800,000 which will be settled by the Loan Facility. However, as Borrower A and Borrower B are connected or associated with each other, the above transactions are aggregated for classification of transaction in compliance with Rule 14.22 of the Listing Rules.

This series of transactions with the Borrowers after aggregation constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from the Shareholders' approval requirement under the Listing Rules.

## **INTRODUCTION**

Reference is made to the announcement of the Company dated 13 April 2021 in relation to the loan facility of up to HK\$99,800,000 granted by Emperor Prestige Credit Limited (an indirect wholly-owned subsidiary of the Company) to Borrower A under the Previous Loan Agreement.

The Board announces that on 16 April 2021, the Lender entered into the Loan Agreement with the Borrowers (including Borrower A) under the following terms and conditions:-

*\* for identification purpose only*

## **THE LOAN AGREEMENT**

<i>Date</i>	:	16 April 2021
<i>Lender</i>	:	Emperor Finance Limited, an indirect wholly-owned subsidiary of the Company
<i>Borrowers</i>	:	Borrower A and Borrower B
<i>Amount of Loan Facility</i>	:	up to HK\$99,800,000
<i>Repayment</i>	:	Within 6 months from the date of drawdown
<i>Interest</i>	:	(i) 26% per annum for the 1 <sup>st</sup> month upon the date of drawdown (ii) 10% per annum for the 2 <sup>nd</sup> month to 6 <sup>th</sup> month after the date of drawdown
<i>Security for the Loan Facility</i>	:	the Loan Facility is secured by a first mortgage over the Properties. Valuation has been conducted by several independent valuers on 31 March 2021 and the average aggregate amount of these properties was approximately HK\$314.5 million.

The drawdown of the Loan Facility is subject to, inter alia, satisfactory credit assessment on the Borrowers by the Lender. The Borrowers are required to provide the Lender with other securities as requested by the Lender from time to time. The purpose of the Loan Facility is to settle the existing loan facility provided by the Group under the Previous Loan Agreement.

## **INFORMATION OF THE BORROWERS**

Borrower A is a merchant who is the director and the sole ultimate beneficial owner of Borrower B.

Borrower A and Borrower B are connected or associated with each other under the Listing Rules. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrowers are Independent Third Parties.

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

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 Facility is a transaction carried out as part of the ordinary and usual course of business activities of the Group. The Loan Facility is funded by internal resources of the Group.

The terms of the Loan Agreement 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 the due diligence on the financial background and repayment ability of the Borrowers, the security provided for the Loan Facility, the stable interest income expected to be generated from the Loan Facility and the satisfactory payment records of the Borrowers in the past, the Directors consider that the terms of the Loan Agreement 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 within the period of 12 months immediately preceding and up to the date of the Loan Agreement exceed 5% but are under 25%, this series of transactions with the Borrowers after aggregation constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from the 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
“Borrowers”	Borrower A and Borrower B
“Borrower A”	Mr. Lau Tat Chuen, a borrower under the Loan Agreement, being an Independent Third Party to the Company and the director and the sole ultimate beneficial owner of Borrower B
“Borrower B”	Acegrowth Development Limited, another borrower under the Loan Agreement, being an Independent Third Party to the Company and a company incorporated in Hong Kong with limited liability which owns the Properties
“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”	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”	the loan agreement dated 16 April 2021 entered into between the Lender and the Borrowers relating to the granting of the Loan Facility
“Loan Facility”	a mortgage loan in the amount of up to HK\$99,800,000 granted by the Lender to the Borrowers pursuant to the terms of the 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
“Previous Loan Agreement”	a loan agreement entered into between the Lender and Borrower A in relation to the provision of a loan facility of up to HK\$99,800,000, details of which are set out in the announcement of the Company dated 13 April 2021
“Properties”	Six commercial units located in Shau Kei Wan, Hong Kong
“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
“%”	per cent

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

Hong Kong, 16 April 2021

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