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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

SECOND SUPPLEMENTAL LOAN AGREEMENT RELATING TO THE FURTHER EXTENSION OF LOAN FACILITY

Reference is made to the announcements of the Company dated 11 March 2015 and 31 August 2015 in relation to the provision of the Loan Facility of up to HK\$280,000,000 by the Lender to the Borrower, and the extension of repayment date of the Loan Facility from 11 September 2015 to 31 December 2015. The Board announces that on 31 December 2015, the Lender entered into the Second Supplemental Loan Agreement with the Borrower to further extend the repayment date of the Loan Facility from 31 December 2015 to 31 March 2016.

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the aggregated interest income to the Group and maximum amount of financial assistance granted to the Borrower or their respective associates pursuant to the Loan Facility under the Loan Agreements exceed 5% but are under 25%, the Loan Facility extended under the Second Supplemental Loan Agreement remains a discloseable transaction 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.

Reference is made to the announcements of the Company dated 11 March 2015 and 31 August 2015 in relation to the provision of the Loan Facility of up to HK\$280,000,000 by the Lender to the Borrower pursuant to the Loan Agreement and the extension of repayment date of the Loan Facility from 11 September 2015 to 31 December 2015 pursuant to the First Supplemental Loan Agreement respectively. The Loan Facility was fully drawn down by the Borrower and partial repayment of the principal loan amount and all outstanding interest was received on 31 December 2015 whereby the principal amount of the Loan Facility in the sum of HK\$258,184,018.33 remains outstanding as at the date of this announcement.

** for identification purposes only*

The Board announces that on 31 December 2015, the Lender entered into the Second Supplemental Loan Agreement with the Borrower to further extend the repayment date of the Loan Facility from 31 December 2015 to 31 March 2016. The principal terms of the Second Supplemental Loan Agreement are set out below :-

THE SECOND SUPPLEMENTAL LOAN AGREEMENT

Date: 31 December 2015

Lender: Emperor Finance Limited, an indirect wholly-owned subsidiary of the Company

Borrower: the borrower under the Loan Agreements

The Borrower is an investment holding company incorporated in the British Virgin Islands. Its subsidiaries are principally engaged in investment holding / property investment. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower (together with its ultimate beneficial owners) and the guarantor of the Loan Facility are independent third parties not connected with the Company or connected persons of the Company.

Principal terms of the Second Supplemental Loan Agreement

Amount of the Loan Facility: up to HK\$280,000,000

Repayment: on or before 31 March 2016

Interest: 2.75% per month

Security for the Loan Facility: The charge executed by the Borrower in favour of the Lender on its interests over the bonds issued by a listed company of the Stock Exchange to the Borrower remain as a continuing security for the Loan Facility, whereas the principal amount of the bonds being charged is reduced from HK\$570,000,000 to HK\$538,000,000 under the Second Supplemental Loan Agreement.

The irrevocable and unconditional personal guarantee duly executed by the sole director, who is also one of the shareholders of the Borrower, in favour of the Lender will remain as the continuing security for the due performance of the obligations of the Borrower under the Loan Agreements.

REASONS FOR ENTERING INTO THE SECOND SUPPLEMENTAL 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) commercial and personal lending as well as margin and initial public offering financing; (ii) brokerage, 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. 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 was funded by internal resources of the Group.

The terms of the Second Supplemental Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. After considering the partial repayment of the Loan Facility made by the Borrower, the security provided under the Second Supplemental Loan Agreement and the expected revenue to be generated, the Directors are of the view that the terms of the Second Supplemental Loan Agreement are fair and reasonable and 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 aggregated interest income to the Group and maximum amount of financial assistance granted to the Borrower or their respective associates pursuant to the Loan Facility under the Loan Agreements exceed 5% but are under 25%, the Loan Facility extended under the Second Supplemental Loan Agreement remains a discloseable transaction 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”	the borrower under the Loan Agreements and an independent third party
“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 persons”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company

“First Supplemental Loan Agreement”	the supplemental loan agreement dated 31 August 2015 entered into between the Lender and the Borrower for, among others, extending the repayment date of the Loan Facility from 11 September 2015 to 31 December 2015
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“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 11 March 2015 entered into between the Lender and the Borrower relating to the granting of the Loan Facility
“Loan Agreements”	the Loan Agreement, the First Supplemental Loan Agreement and the Second Supplemental Loan Agreement
“Loan Facility”	the loan facility in the amount of up to HK\$280,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement as supplemented by the First Supplemental Loan Agreement and the Second 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
“Second Supplemental Loan Agreement”	the supplemental loan agreement dated 31 December 2015 entered into between the Lender and the Borrower for, among others, extending the repayment date of the Loan Facility from 31 December 2015 to 31 March 2016

“Shareholders”	holders of 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, 31 December 2015

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
Ms. Wan Choi Ha