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英皇資本集團有限公司
Emperor Capital Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 717)

DISCLOSEABLE TRANSACTION

EXTENSION OF LOAN FACILITY

On 28 September 2023, the Lender entered into the Supplemental Loan Agreement with the Borrower to increase the interest rate and extend the repayment date to 5 October 2024 of the Loan Facility up to HK\$66,500,000.

The transaction contemplated under the Loan Agreement (as supplemented by the Supplemental Loan Agreement) constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from obtaining Shareholders' approval under Chapter 14 of the Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 5 October 2022 in relation to the provision of the loan facility up to HK\$66,500,000 granted by the Lender to the Borrower.

EXTENSION OF LOAN FACILITY

The Board announces that on 28 September 2023, the Lender entered into the Supplemental Loan Agreement with the Borrower to increase the interest rate and extend the repayment date to 5 October 2024 of the Loan Facility up to HK\$66,500,000. Details of the Loan Agreement (as supplemented by the Supplemental Loan Agreement) are as below:-

THE LOAN AGREEMENT (AS SUPPLEMENTED BY SUPPLEMENTAL LOAN AGREEMENT)

Date : 5 October 2022 (as supplemented by the Supplemental Loan Agreement dated 28 September 2023)

Lender : Emperor Finance

<i>Borrower</i>	:	the Borrower
<i>Amount of Loan Facility</i>	:	up to HK\$66,500,000
<i>Extended repayment date</i>	:	5 October 2024
<i>Interest</i>	:	10.5% per annum
<i>Security for Loan Facility</i>	:	the Loan Facility is secured by a first legal charge over a residential unit and a parking space located in Mid-levels, Hong Kong (collectively known as “ Mortgaged Properties ”). Valuations on the Mortgaged Properties were conducted by independent valuers on 21 August 2023 with average value of the Mortgaged Properties being approximately HK\$109,500,000. The loan-to-value ratio of the Loan Facility is approximately 60.7%

The Borrower is required to provide the Lender with other securities as requested by the Lender from time to time. The Lender has the discretion to further extend the repayment date for another 12 months.

INFORMATION OF THE BORROWER

The Borrower is a merchant who has become a new customer of the Group upon entering into the Loan Agreement and was referred by an independent mortgage consultant to the Group.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Borrower is an Independent Third Party and not connected with the Company under the Listing Rules.

CREDIT RISK ASSESSMENT

The Loan Facility is secured by a first legal charge over the Mortgaged Properties provided by the Borrower with a loan-to-value ratio of approximately 60.7% based on the value of the Mortgaged Properties as determined by independent valuers. The Group has performed credit risk assessment before granting the Loan Facility by (a) obtaining valuations from independent valuers on the Mortgaged Properties to assess the market value of the collateral and enquired the liquidity in proximity; (b) reviewing the repayment record of the Borrower, which the Borrower has been making timely repayment for the Loan Facility before entering into the Supplemental Loan Agreement; (c) reviewing the credit report of the Borrower obtained from an external credit report agency, which is satisfactory and no default record was identified; and (d) assessing the personal net assets of the Borrower and performing an assessment on the financial soundness of the Borrower, such as the type and value of assets owned by the Borrower and its value. Based on the findings of the credit risk assessment, the Group considered that the credit risk of extending the Loan Facility to the Borrower was acceptable at the time of granting the extension of the Loan Facility.

REASONS FOR ENTERING INTO THE SUPPLEMENTAL 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. 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 (as supplemented by the Supplemental Loan Agreement) were negotiated on arm's length basis between the Lender and the Borrower 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, repayment ability of and the collaterals given by the Borrower and the stable interest income generated / expected to be generated from the Loan Facility, the Directors consider that the terms of the Loan Agreement (as supplemented by the Supplemental 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 maximum amount of financial assistance granted to the Borrower or his associates pursuant to the Loan Agreement (as supplemented by Supplemental Loan Agreement) exceed 5% but are under 25%, the transaction contemplated thereunder constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but exempt from obtaining Shareholders' approval under Chapter 14 of the Listing Rules.

Pursuant to the Rule 14.58(2) of the Listing Rules, the identity of the Borrower is required to be disclosed. As (i) the extension of the Loan Facility is not regarded as a material transaction of the Company as compared to overall financial position of the Company; (ii) the Borrower has confirmed to the Group that no consent will be given for disclosing his identity; (iii) the disclosure of identity of the Borrower does not have additional value to the assessment of the financial standing and repayment ability of the Borrower, including creditworthiness, risks involved and exposure of the Loan Facility; and (iv) the Company has made alternative disclosure in this announcement, including but not limited to the details of the security and loan-to-value ratio of the Loan Facility, it is believed that the information disclosed herein is sufficient for the Shareholders to assess the risk and exposure involved with the Loan Facility. Concealing the identity of the Borrower would not render this announcement inaccurate, incomplete in all material respects nor misleading or deceptive, as the Company has applied to the Stock Exchange and the Stock Exchange has granted a waiver from strict compliance of Rule 14.58(2) of the Listing Rules.

DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board” or “Directors”	board of directors of the Company
“Borrower ”	the borrower under the Loan Agreement (as supplemented by the Supplemental Loan Agreement), being an individual and an Independent Third Party to the Company, and serve as an executive director and the controlling shareholder of a communications technology company of which the shares are listed on the Main Board of the Stock Exchange
“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”	person who is not a connected person of the Company and is 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”	the loan agreement dated 5 October 2022 entered into between the Lender and the Borrower relating to the granting of the Loan Facility as supplemented by the Supplemental Loan Agreement
“Loan Facility”	the loan facility in the amount up to HK\$66,500,000 granted by the Lender to the Borrower pursuant to the terms of Loan Agreement (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 28 September 2023 entered into between the Lender and the Borrower to supplement the Loan Agreement for extending the repayment date of the Loan Facility for 12 months to 5 October 2024
“%”	per cent

By order of the Board of
Emperor Capital Group Limited
Daisy Yeung
Chairperson

Hong Kong, 28 September 2023

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

Executive Directors:

Ms. Daisy Yeung
Mr. Wong Chi Fai
Ms. Fan Man Seung, Vanessa

Independent Non-Executive Directors:

Ms. Wan Choi Ha
Mr. Wong Tak Ming, Gary
Mr. Yu King Tin