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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  
RELATING TO THE PROVISION OF LOAN FACILITIES**

The Board announces that:

- (i) On 24 March 2014, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Second Loan Agreement with the Borrower, under which the Lender has agreed to provide the Second Loan Facility of up to HK\$50,000,000 to the Borrower. The Second Loan Facility shall be repaid within 12 months from the date of drawdown; and
- (ii) The First Loan Facility granted by the Lender and drawn down by the Borrower under the First Loan Agreement in the sum of HK\$10,000,000 due on 10 October 2013 was rolled over for 12 months on 10 October 2013 (during the 12 months preceding the date of Second Loan Agreement) and shall be repaid on or before 10 October 2014 pursuant to the Renewed First Loan Agreement.

As the relevant percentage ratio (as defined under the Listing Rules) in respect of the aggregate amount of financial assistance granted to the Borrower or its associates within the period of 12 months immediately preceding and up to the date of the Second Loan Agreement 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.

The Board announces that (i) on 24 March 2014, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Second Loan Agreement with the Borrower, under which the Lender has agreed to provide the Second Loan Facility of up to HK\$50,000,000 to the Borrower; and (ii) the First Loan Facility granted by the Lender and drawn down by the Borrower under the First Loan Agreement in the sum of HK\$10,000,000 due on 10 October 2013 was rolled over for 12 months on 10 October 2013 (during the 12 months preceding the date of Second Loan Agreement) and shall be repaid on or before 10 October 2014 pursuant to the Renewed First Loan Agreement. The principal terms of the Loan Agreements are set out below :-

*\* for identification purposes only*

## **THE LOAN AGREEMENTS**

### **Parties**

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

Borrower: the borrower under the Loan Agreements

The Borrower is a company listed on the Stock Exchange. Its principal activity is investment holding and its subsidiaries are principally engaged in media production and distribution businesses. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower and the ultimate beneficial owner of its controlling shareholders (as defined under the Listing Rules) are independent third parties not connected with the Company or connected persons of the Company.

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

Date: 10 October 2012

Amount of the loan facility : up to HK\$10,000,000 (the maximum amount was fully drawn down by the Borrower after the date of the First Loan Agreement)

Repayment: on or before 10 October 2013 (subsequently rolled over under the Renewed First Loan Agreement)

Interest: 12% per annum

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

Date: 10 October 2013

Amount of the loan facility: HK\$10,000,000

Repayment: on or before 10 October 2014

Interest: 10% per annum

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

Date: 24 March 2014

Amount of the loan facility: up to HK\$50,000,000

Drawdown: available for drawdown commencing from the date of the Second Loan Agreement

Repayment: within 12 months from the date of drawdown

- Interest:
- 1) 9% per annum for the 1<sup>st</sup> to the 4<sup>th</sup> months from the date of drawdown;
  - 2) 9.5% per annum for the 5<sup>th</sup> to the 8<sup>th</sup> months from the date of drawdown; and
  - 3) 10% per annum for the 9<sup>th</sup> to the 12<sup>th</sup> months from the date of drawdown

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

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 services. 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 Borrower. After considering 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 the relevant percentage ratio (as defined under the Listing Rules) in respect of the aggregate amount of financial assistance granted to the Borrower or its associates within the period of 12 months immediately preceding and up to the date of the Second Loan Agreement 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”	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 person(s)”	has the meaning ascribed to it under the Listing Rules

“Directors”	the directors of the Company
“First Loan Agreement”	the loan agreement dated 10 October 2012 entered into between the Lender and the Borrower relating to the granting of the First Loan Facility
“First Loan Facility”	the loan facility in the amount of HK\$10,000,000 granted by the Lender to the Borrower pursuant to the terms of the First Loan Agreement as renewed by the Renewed First Loan Agreement
“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”	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 Agreements”	the First Loan Agreement, the Renewed First Loan Agreement and the Second Loan Agreement
“Loan Facilities”	the First Loan Facility and the Second Loan Facility
“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
“Renewed First Loan Agreement”	the loan agreement dated 10 October 2013 entered into between the Lender and the Borrower to renew the First Loan Agreement
“Second Loan Agreement”	the loan agreement dated 24 March 2014 entered into between the Lender and the Borrower relating to the granting of the Second Loan Facility
“Second Loan Facility”	the loan facility in the amount up to HK\$50,000,000 granted by the Lender to the Borrower pursuant to the terms of the Second Loan Agreement
“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, 24 March 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. Cheng Wing Keung, Raymond  
Mr. Chu Kar Wing  
Mr. Poon Yan Wai