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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)

**1) DISCLOSEABLE TRANSACTIONS
PROVISION OF LOAN FACILITIES
AND
2) SUPPLEMENTAL INFORMATION TO THE PREVIOUS
ANNOUNCEMENT**

1) LOAN AGREEMENTS

On 12 June 2020, the Lender entered into the Loan Agreements with the Borrower in relation to the provision of the Loan Facilities of up to an aggregate amount of HK\$145,000,000 which is available for drawdown subject to terms of the Loan Agreements and shall be repaid within 360 months from the date of the drawdown.

Within the period of 12 months immediately preceding and up to the date of the Loan Agreements, the Lender had entered into the Existing Loan Agreement with the Borrower in relation to the provision of the Existing Loan Facility. This series of transactions with the Borrower after aggregation constitutes discloseable transaction of the Company and is therefore subject to the announcement requirement but is exempted from Shareholders' approval requirement under the Listing Rules.

2) SUPPLEMENTAL INFORMATION TO THE PREVIOUS ANNOUNCEMENT

The Board wishes to provide supplemental information on details of the security under the loan agreement as mentioned in the Previous Announcement.

1) LOAN AGREEMENTS

The Board announces that on 12 June 2020, the Lender entered into the Loan Agreements with the Borrower with summary details as follows:

Loan Agreement A

Date	:	12 June 2020
Lender	:	Emperor Finance Limited, an indirect wholly-owned subsidiary of the Company
Borrower	:	the Borrower under the Loan Agreement A
Amount of Loan Facility A	:	up to HK\$90,000,000
Repayment	:	within 360 months from the date of drawdown
Interest	:	(i) 22.8% per annum for the 1 st month upon the date of drawdown (ii) 11.8% per annum for the 2 nd month to 360 th month upon the date of drawdown
Security for the Loan Facility A	:	the Loan Facility A is secured by a first mortgage over two residential units located in Southern District in Hong Kong in favour of the Lender as a continuing security for the due performance of the duties and obligations of the Borrower under the Loan Agreement A.

Valuation had been conducted by independent valuers on 21 May 2020 and the average aggregate amount of these properties was approximately HK\$132.8 million.

Loan Agreement B

Date	:	12 June 2020
Lender	:	Emperor Finance Limited, an indirect wholly-owned subsidiary of the Company
Borrower	:	the Borrower under the Loan Agreement B
Amount of Loan Facility B	:	up to HK\$55,000,000
Repayment	:	within 360 months from the date of drawdown
Interest	:	(i) 21.7% per annum for the 1 st month upon the date of drawdown (ii) 11.8% per annum for the 2 nd month to 360 th month upon the date of drawdown

Security for the Loan Facility B : the Loan Facility B is secured by a first mortgage over one residential unit with 3 parking lots located in Southern District in Hong Kong in favour of the Lender as a continuing security for the due performance of the duties and obligations of the Borrower under the Loan Agreement B.

Valuation had been conducted by independent valuers on 21 May 2020 and the average aggregate amount of these properties was approximately HK\$82.5 million.

The drawdown of the Loan Facilities is subject to, inter alia, the satisfaction of credit assessment of the Borrower by the Lender. The Borrower is required to provide the Lender with other securities as requested by the Lender as from time to time.

Existing Loan Agreement

Date : 25 June 2018

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

Borrower : the Borrower under the Existing Loan Agreement

Amount of Existing Loan Facility : up to HK\$60,000,000 which has been drawdown

Repayment : within 12 months from the date of drawdown; the Existing Loan Facility can be extended automatically for another term of 12 months subject to the Lender's satisfaction on the Borrower's credit assessment or the valuation of the security at its sole and absolute discretion

Interest : 12% per annum

Security for the Existing Loan Facility : the Existing Loan Facility is secured by a second mortgage over three residential units located in Southern District in Hong Kong in favour of the Lender as a continuing security for the due performance of the duties and obligations of the Borrower under the Existing Loan Agreement .

Valuation had been conducted by independent valuers on 15 June 2018 and the average aggregate amount of these properties was approximately HK\$174 million.

The outstanding amount under Existing Loan Facility will be fully settled upon drawdown of the Loan Facilities.

INFORMATION OF THE BORROWER

The Borrower is a merchant. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Borrower is an independent third party not connected with the Company or connected persons of the Company.

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, 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 was transactions 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 Borrower and were on normal commercial terms based on the Group's credit policy. The outstanding amount of the Existing Loan Facility will be fully settled by the drawdown amount of the Loan Facilities which are secured by first mortgages over three residential units and three parking lots. Taking into account the results of the due diligence on the financial background and repayment ability of the Borrower, the stable interest income generated / expected to be generated from the Loan Facilities and the satisfactory payment records of the Borrower in the past, 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 Borrower 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.

2) SUPPLEMENTAL INFORMATION TO THE PREVIOUS ANNOUNCEMENT

Reference is made to the Previous Announcement in relation to the provision of the loan facility of up to HK\$47 million to another independent party provided by the Group.

The Board wishes to provide supplemental information on details of the security under the loan agreement as mentioned in the Previous Announcement. The security under such loan agreement was a second mortgage over two residential units with two parking lots located in Central District in Hong Kong. Valuation has been conducted by independent valuers on 8 and 9 June 2020 and the average aggregate amount of those properties was approximately HK\$277 million.

DEFINITIONS

“Board”	board of Directors of the Company
“Borrower”	Wang Cong Wei, the borrower under the Loan Agreements, being an independent third party to the Company
“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
“Existing Loan Agreement”	the loan agreement dated 25 June 2018 entered into between the Lender and the Borrower relating to the granting of the Loan Facility A
“Existing Loan Facility”	the loan facility in the amount of up to HK\$60,000,000 granted by the Lender to the Borrower pursuant to the terms of the Existing 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 Agreement A”	the loan agreement dated 12 June 2020 entered into between the Lender and the Borrower relating to the granting of the Loan Facility A
“Loan Agreement B”	the loan agreement dated 12 June 2020 entered into between the Lender and the Borrower relating to the granting of the Loan Facility B
“Loan Agreements”	Loan Agreement A and Loan Agreement B
“Loan Facility A”	the loan facility in the amount of up to HK\$90,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan

	Agreement A
“Loan Facility B”	the loan facility in the amount of up to HK\$55,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement B
“Loan Facilities”	Loan Facility A and Loan Facility B
“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 Announcement”	announcement of the Company dated 10 June 2020 in relation to the provision of the loan facility to another borrower provided by the Group.
“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, 12 June 2020

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