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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

On 27 March 2020, EPCL as lender entered into the Supplemental Agreement with the Borrower which is supplemental to the Loan Agreement C.

Within the period of 12 months immediately preceding and up to the date of the Supplemental Agreement, EFL as lender had entered into the Loan Agreement A and Loan Agreement B with the Borrower in relation to the provision of the Loan Facility A and the Loan Facility B respectively. 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.

The Board announces that:

- 1) on 27 March 2020, EPCL as lender entered into the Supplemental Agreement with the Borrower which is supplemental to the Loan Agreement C; and
- 2) within the period of 12 months immediately preceding and up to the date of the Supplemental Agreement, EFL as lender had entered into the Loan Agreement A and Loan Agreement B with the Borrower in relation to the provision of the Loan Facility A and the Loan Facility B respectively.

The principal terms of the Loan Agreements are set out below :-

Loan Agreement A

Lender : EFL, an indirect wholly-owned subsidiary of the Company

Borrower : the Borrower

Amount of the Loan Facility A : up to HK\$7,500,000
Repayment date : 27 May 2020
Interest : 10% per annum
Security for the Loan Facility A : the Loan Facility A is secured by first mortgage over a property located in Hong Kong in favour of EFL as a continuing security for the due performance of the obligations and duties of the Borrower under the Loan Agreement A

Loan Agreement B

Lender : EFL
Borrower : the Borrower
Amount of the Loan Facility B : up to HK\$12,000,000
Repayment date : 27 May 2020
Interest : 10% per annum
Security for the Loan Facility B : the Loan Facility B is secured by a second mortgage over a property located in Hong Kong in favour of EFL as a continuing security for the due performance of the obligations and duties of the Borrower under the Loan Agreement B

Supplemental Agreement to Loan Agreement C

Date : 27 March 2020
Lender : EPCL, an indirect wholly-owned subsidiary of the Company
Borrower : the Borrower
Amount of the Loan Facility C : up to HK\$40,000,000
Repayment date : 29 September 2020
Interest : 12% per annum
Security for the Loan Facility C : The Borrower is required to provide the Lender with securities as requested by the Lender as from time to time.

INFORMATION OF THE BORROWER

The Borrower is the chairman of the board and an executive director of Sino Prosper (Group) Holdings Limited, a company listed on the main board of the Stock Exchange (stock code: 766). 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.

Each of EFL and EPCL 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 were funded by internal resources of the Group.

The terms of the Loan Agreements were negotiated on arm's length basis between the Lenders and the Borrower 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 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 aggregated interest income from the Borrower to the Lenders and the maximum amount of financial assistance granted to the Borrower pursuant to the Loan Agreements within the period of 12 months immediately preceding and up to the date of the Supplemental Agreement exceed 5% but are under 25%, this series of transactions 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.

DEFINITIONS

“Board”	board of Directors of the Company
“Borrower”	Leung Ngai Man, 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
“EFL”	Emperor Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“EPCL”	Emperor Prestige Credit Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“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
“Lenders”	EFL and EPCL
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement A”	the loan agreement dated 25 May 2016 and as supplemented from time to time until 6 June 2019 entered into between EFL and the Borrower relating to the granting of the Loan Facility A
“Loan Agreement B”	the loan agreement dated 25 May 2016 and as supplemented from time to time until 6 June 2019 entered into between EFL and the Borrower relating to the granting of the Loan Facility B
“Loan Agreement C”	the loan agreement dated 29 March 2018, as supplemented on 2 May 2018 and 3 April 2019 entered into between EPCL and the Borrower relating to the granting of the Loan Facility C
“Loan Agreements”	collectively the Loan Agreement A, the Loan Agreement B, the Loan Agreement C and the Supplemental Agreement
“Loan Facilities”	collectively Loan Facility A, Loan Facility B and Loan Facility C

“Loan Facility A”	the loan facility in the amount of up to HK\$7,500,000 granted by the EFL 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\$12,000,000 granted by EFL to the Borrower pursuant to the terms of the Loan Agreement B
“Loan Facility C”	the loan facility in the amount of up to HK\$40,000,000 granted by EPCL to the Borrower pursuant to the terms of the Loan Agreement C as supplemented by the Supplemental 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 Agreement”	a supplemental loan agreement dated 27 March 2020 entered into between EPCL and the Borrower to supplement certain terms under the Loan Agreement C
“%”	per cent

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

Hong Kong, 27 March 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