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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 IN RELATION TO DISPOSAL OF ENTIRE EQUITY INTEREST IN TARGET COMPANY

On 17 August 2026, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the entire interest in the Target Company and the loan due from the Target Group to the Vendor at a consideration of HK$37.0 million.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but exempt from the Shareholders' approval requirement under the Listing Rules.

INTRODUCTION

The Board announces that on 17 August 2026, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the Sale Share and the Sale Loan.

THE SALE AND PURCHASE AGREEMENT

The Vendor	:	the Company
The Purchaser	:	the Purchaser

Assets to be disposed of

Pursuant to the Sale and Purchase Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase the Sale Share and the Sale Loan.

Conditions precedent

Completion shall be conditional upon the following conditions precedent:

(a) each of the warranties remaining true and accurate in all respects up to Completion pursuant to the terms of the Sale and Purchase Agreement;

(b) the performance and observance by the Vendor of all its undertakings and obligations under the Sale and Purchase Agreement;

(c) the Purchaser, at its sole discretion, is satisfied with the results or progress of the due diligence on, among others, the Sale Share, the Sale Loan, and the Target Group; and

(d) the compliance by the Company with all requirements under the Listing Rules for entering into the Sale and Purchase Agreement and the transactions contemplated thereunder.

The conditions as set out in (a), (b) and (c) may be waived by the Purchaser.

Consideration and payment terms

The consideration for the Disposal payable by the Purchaser to the Vendor is HK$37.0 million and shall be settled in cash in the following manner:

(i) HK$3.7 million shall be paid upon signing of the Sale and Purchase Agreement; and

(ii) the remaining balance of HK$33.3 million ("**Balance**") shall be paid on or before the Completion Date.

In the event that there is any outstanding expenses and fees (including but not limited to any outstanding legal fee incurred by the Target Group immediately prior to the Completion), the Purchaser has the right to deduct the same from the Balance; and/or in the event of the Vendor's breach of any representation, warranty, undertaking or the terms of the Sale and Purchase Agreement and/or the deed of assignment, the Purchaser has the right to withhold and/or set-off all the liabilities, loss, damages, costs and expenses which the Purchaser and/or the Group may suffer arising from or in connection with such breach (collectively "**Damages**") from the Balance. For the avoidance of doubt, should the Balance be insufficient to cover the Damages, the Purchaser is still entitled to claim against the Vendor for the shortfall. As at the date of this announcement, there are no loans, guarantees, pledges, mortgages, charges, liens, debentures, encumbrances or other liabilities (contingent or otherwise) of any of the Group members exceeding the aggregate value of HK$10,000.0.

Basis of the consideration

The consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to, among others, the net asset position of the Target Group as at 15 August 2026; the loan portfolio and future prospect of the Target Group; and the valuation of the Target Group in the amount of approximately HK$36.9 million as at 15 August 2026 based on the valuation report prepared by the Independent Valuer using the market approach.

Completion

As at the date of this announcement, none of the above conditions precedent are fulfilled. The Completion will take place on the Completion Date. Immediately after Completion, the Target Group will cease to be subsidiaries of the Company and the Company will cease to have any equity interest in the Target Group which will no longer be consolidated into the consolidated financial statements of the Group.

THE VALUATION

The consideration for the Disposal is HK$37.0 million, which was determined after arm's length negotiations between the Vendor and the Purchaser with reference to, among others, the appraised value of the entire equity interest in the Target Group as at 15 August 2026 ("**Valuation Date**") of approximately HK$36.9 million ("**Valuation**") as valuated by the Independent Valuer.

Valuation approach

According to the valuation report, the Independent Valuer assessed the market value of the Loan Portfolio as at 15 August 2026 on a market value basis. The Loan Portfolio comprised multiple overdue and distressed loan exposures and, in light of the default status and recovery characteristics of the relevant loans, the Independent Valuer adopted a recovery-based approach in assessing the market value of the Loan Portfolio.

The Independent Valuer considered such approach to be appropriate as the relevant loans had been in prolonged default and the recoverability of the Loan Portfolio depended primarily on recovery prospects rather than normal contractual repayment.

Scope of work

According to the valuation report, the Loan Portfolio comprised term loan exposures granted to listed companies, private companies and individual borrowers, with an aggregate gross carrying amount of approximately HK$259.1 million as at the Valuation Date. All of the loans comprised in the Loan Portfolio were considered to be in default as at the Valuation Date.

In conducting the Valuation, the Independent Valuer considered, among other things, the outstanding balance of each loan, its contractual default status, the repayment history of the relevant borrowers, the security position and the recoverability prospects. For certain corporate borrowers with available financial information, the Independent Valuer also performed a liquidation-based analysis by taking into account the estimated realisable value of assets, liquidation expenses, statutory liabilities, secured obligations and other priority claims in order to assess the likely recovery available to unsecured creditors.

Valuation methodology

A 100% default rate was applied to the Loan Portfolio, as all loans were considered to be in default as at the Valuation Date. The period from the contractual due dates of the relevant loans to the Valuation Date ranged from approximately 1.3 years to 5.9 years.

In determining the recovery rates, the Independent Valuer applied nil recovery rates to borrowers with no identifiable collateral, no verifiable asset support, prolonged non-payment or unsuccessful recovery efforts. For certain corporate borrowers with latest available financial information, the recovery rates were derived from a liquidation-based analysis of their financial position and estimated realisable asset values.

Major assumptions

The valuation report was based on information supplied by the Company and its management, discussions with the Company, the term loan portfolio as at the Valuation Date and publicly available market information. The Independent Valuer assumed that the information provided was accurate and complete in all material respects and relied on such information in forming its opinion of value. The valuation reflects the facts and circumstances existing as at the Valuation Date only and does not take into account subsequent events.

Limitations of the Valuation

The Valuation was prepared based on information supplied by the Company and its management, together with discussions with the Company and publicly available information considered relevant by the Independent Valuer. The Independent Valuer has not independently verified all the information provided and has assumed that such information is accurate and complete in all material respects.

The Valuation reflects the facts and circumstances existing as at the Valuation Date only and does not take into account events occurring after that date. The valuation report was prepared solely for the Company's internal reference in connection with the transaction and is to be read in its entirety.

The analysis and conclusions set out in the valuation report do not constitute an offer, invitation or recommendation to enter into any transaction, and should not be regarded as a substitute for independent judgment or due diligence.

FAIRNESS AND REASONABLENESS OF THE CONSIDERATION

The Board has reviewed the valuation report, including the valuation approach adopted, the scope of work performed, the methodology applied, the major assumptions adopted and the limitations of the Valuation. Having considered that (i) the Independent Valuer is an independent professional valuer; (ii) the scope of work carried out by the Independent Valuer is appropriate for the purpose of the Valuation; and (iii) the valuation approach, methodology and assumptions adopted by the Independent Valuer are fair and reasonable having regard to the nature and status of the Loan Portfolio, the Board is of the view that the valuation underlying the consideration is fair and reasonable.

INFORMATION OF THE COMPANY

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of financial services, including (i) global financial markets services; (ii) financing; (iii) equity research; and (iv) corporate finance advisory services.

INFORMATION OF THE PURCHASER

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

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company. The Target Company is an investment holding company whose sole asset is the entire equity interest of EPCL. EPCL is a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company. EPCL is principally engaged in provision of unsecured money lending business.

Set out below is a summary of the unaudited financial information of EPCL for the year ended 30 September 2024 and 2025:

	For the year ended 30 September	
	2024	**2025**
	(unaudited)	*(unaudited)*
	HK$'000	*HK$'000*
Loss before tax	55,257	2,840
Loss after tax	55,257	2,840

As at 15 August 2026, the unaudited consolidated total assets value and net liabilities of the EPCL were approximately HK$1,000.0 and HK$719.1 million respectively.

FINANCIAL EFFECT OF THE DISPOSAL

Taken into account (i) the consideration for the Disposal of HK$37.0 million; (ii) the unaudited consolidated net liabilities of the Target Group of approximately HK$719.1 million as at 15 August 2026; (iii) the amount of Sale Loan of approximately HK$719.1 million as at 15 August 2026, the gain on the Disposal is expected to be approximately HK$37.0 million.

The aforesaid estimation is for illustrative purpose only and does not purport to represent the financial position of the Group after Completion. The actual financial effects of the Disposal shall be determined with reference to the financial status of the Target Group as at the Completion Date.

The net proceeds from the Disposal is estimated to be approximately HK$37.0 million, which will be used as general working capital of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Target Group principally holds certain receivables which have been outstanding for a number of years and arose from the Group's unsecured money lending operations, which have been discontinued. Following the cessation of such business, the Group has spent over three years undertaking extensive measures to recover the outstanding receivables, including negotiating settlement arrangements with debtors, issuing demand letters, engaging external debt collection agencies and commencing legal proceedings against certain debtors. Notwithstanding the significant time, effort and costs incurred over such period, no fruitful recovery has been achieved, and the Directors consider that the recoverability of the outstanding receivables remains uncertain and any recovery, if realised, is expected to take a considerable period of time.

Taking into account the prolonged ageing of the receivables, the lack of concrete recovery despite sustained efforts, and the additional time and costs required for further recovery actions with uncertain outcome, the Directors consider that continuing to pursue such receivables is not commercially justifiable. The Disposal enables the Group to cease incurring further administrative and legal costs and to avoid further commitment of management time and resources, while allowing the Group to redeploy its resources to its core business operations.

Given that the relevant receivables have been fully impaired and written off in the accounts of the Group, the Disposal is not expected to have any material adverse financial impact on the Group. The consideration was determined after arm's length negotiations, taking into account the net liabilities position of the Target Group and the uncertainty surrounding the recoverability of the receivables. Accordingly, the Directors (including the independent non-executive Directors) consider that the terms of the Disposal are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to reporting and announcement requirements but exempt from the Shareholders' approval requirement under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context requires otherwise:

"associate(s)"	has the same meaning ascribed thereto under the Listing Rules
"Board" or "Directors"	the board of directors of the Company
"Business Day"	a day (excluding Saturdays and public holidays or a day on which a tropical cyclone No.8 or above or a "black" rainstorm warning is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. on weekdays) on which banks in Hong Kong are generally open for normal banking business
"BVI"	the British Virgin Islands
"Company"	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Completion"	completion of the Disposal in accordance with the Sale and Purchase Agreement
"Completion Date"	On or before 30 September 2026

"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"Disposal"	the Disposal of the Sale Share and the Sale Loan by the Vendor to the Purchaser pursuant the Sale and Purchase Agreement
"EPCL"	Emperor Prestige Credit Limited, a company incorporated in Hong Kong with limited liability, being an indirect wholly-owned subsidiary of the Company and a licensed money lender under the Money Lenders Ordinance
"Group"	the Company and its subsidiaries from time to time, including but not limited to the Target Group
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Hong Kong"	the 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
"Independent Valuer"	Flagship Appraisals and Consulting Limited, being an independent valuer
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan Portfolio"	the portfolio of term loans held by EPCL, being the subject matter of the Disposal, with an aggregate gross carrying amount of approximately HK$259.1 million as at 15 August 2026
"Purchaser"	Mr. Cao Sulin, an Independent Third Party
"Sale and Purchase Agreement"	the sale and purchase agreement dated 17 August 2026 entered into between the Vendor and the Purchaser in relation to the Disposal
"Sale Loan"	all loans and other amounts (whether principal, interest or otherwise) due from any members of the Target Group to the Vendor as at Completion, which shall be assigned to the Purchaser pursuant to the terms of the Sale and Purchase Agreement
"Sale Share"	the entire issued share in the Target Company totalled 1 share of US$1.00

"Shareholder(s)"	holder(s) of the ordinary shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Target Company"	Jumbo United Group Limited, a company incorporated in the BVI and being an indirect wholly-owned subsidiary of the Company, which holds the entire equity interest of EPCL
"Target Group"	Target Company and its subsidiary
"Vendor"	Emperor Capital Investment Holdings Limited, a company incorporated in the BVI and a direct wholly-owned subsidiary of the Company
"%"	per cent.

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

Hong Kong, 17 August 2026

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

Executive Directors:	Ms. Daisy Yeung Mr. Chu Raymond Ms. Fan Man Seung, Vanessa
Independent Non-executive Directors:	Mr. Wong Tak Ming, Gary Mr. Yu King Tin Ms. Chan Sim Ling, Irene