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**太陽國際集團有限公司**  
**SUN INTERNATIONAL GROUP LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 8029)**

**DISCLOSEABLE TRANSACTION**  
**DEED OF SETTLEMENT IN RESPECT OF THE OUTSTANDING LOANS**  
**AND INTEREST**

**DEED OF SETTLEMENT**

On 11 September 2018, after arm's length negotiation, Sun Finance entered into the Deed of Settlement with Customer A and Customer B in respect of the outstanding loans and interest under the Loan Agreements.

**GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable ratios in respect of the settlement of the outstanding loans and interest under the Deed of Settlement exceeds 5% but are less than 25%, the settlement of the outstanding loans and interest under the Deed of Settlement constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and are subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

**BACKGROUND**

On 8 June 2012, Sun Finance as lender entered into the Loan Agreement A with Customer A as borrower, pursuant to which Sun Finance advanced a principal sum of HK\$50 million to Customer A. The loan together with the interest thereon and any other sums shall be fully paid by the Customer A to Sun Finance on or before 8 December 2012. Customer A did not repay the loan and interest in full in accordance with the terms of the Loan Agreement A. On 31 March 2016, Sun Finance entered into the Previous Deed of Settlement A with Customer A for the settlement of the outstanding loan and interest under the Loan Agreement A. Customer A did not make repayment in accordance with the repayment schedule under the Previous Deed of Settlement A but has made partial repayment from time to time.

On 23 July 2013, Sun Finance as lender entered into the Loan Agreement B with Customer B as borrower, pursuant to which Sun Finance advanced a principal sum of HK\$45 million to Customer B. The loan and interest under the Loan Agreement B was secured by a mortgage over certain shares in a company listed on the main board of the Stock Exchange which has a market value of approximately HK\$21 million based on the closing price on the Stock Exchange as at the date of this announcement. The loan together with the interest thereon and any other sums shall be fully paid by the Customer B to Sun Finance on or before 24 January 2014. Customer B did not repay the loan and interest in full in accordance with the terms of the Loan Agreement B. On 31 March 2016, Sun Finance entered into the Previous Deed of Settlement B with Customer B for the settlement of the outstanding loan and interest under the Loan Agreement B. Customer B did not make repayment in accordance with the repayment schedule under the Previous Deed of Settlement B but has made partial repayment from time to time.

Before entering into the Deed of Settlement, Customer A and Customer B together made HK\$3 million repayment at the request of Sun Finance as a prerequisite for entering into the Deed of Settlement.

As at the date of the Deed of Settlement, the total amount of the Unpaid Sum is HK\$49,839,000 after the repayment of HK\$3 million as disclosed above.

## **DEED OF SETTLEMENT**

On 11 September 2018, after arm's length negotiation, Sun Finance entered into the Deed of Settlement with Customer A and Customer B in respect of the outstanding loans and interest under the Loan Agreements pursuant to which each of Customer A and Customer B for himself/itself, his/its successors and assigns, covenants, agrees and undertakes to Sun Finance that Customer A and Customer B will jointly and severally make full repayment of the principals and interest payable under the Loan Agreements by payment of the Unpaid Sum in the amount of HK\$49,839,000 to Sun Finance on or before the Final Repayment Date by monthly installments of HK\$2,500,000 each with the first installment to be paid within 30 days from the date of the Deed of Settlement and interest payable in respect of any unpaid amount under the Unpaid Sum is set at 33% per annum.

## **INFORMATION ON THE CUSTOMERS**

Both Customer A and Customer B are existing customers of the Group. Customer B is a company incorporated in the British Virgin Islands with limited liability and is legally and beneficially wholly-owned by Customer A. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Customer A and Customer B is an Independent Third Party. Customer B is principally engaged in investment holding.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE DEED OF SETTLEMENT**

The Company is an investment holding company. The Group is principally engaged in the provision of equine services, the provision of type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) in Hong Kong, and the money lending business.

Sun Finance is a wholly-owned subsidiary of the Company and is a money lender licensed in Hong Kong under the provisions of the Money Lenders Ordinance. Sun Finance conducts money lending business solely in Hong Kong through the provision of unsecured loan and secured loan to its customers, including individuals and corporations.

The terms of the Deed of Settlement were negotiated on an arm's length basis between Sun Finance and the Customers. The Directors are of the view that given that (i) by entering into the Deed of Settlement, lengthy and costly legal proceedings against Customer A and Customer B can be avoided; and (ii) the interest will continue to accrue on the outstanding Unpaid Sum due to Sun Finance under the Deed of Settlement, the terms of the Deed of Settlement are entered into on normal commercial terms, are fair and reasonable and the entering into of the Deed of Settlement is in the interests of the Company and its shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable ratios in respect of the settlement of the outstanding loans under the Deed of Settlement exceeds 5% but are less than 25%, the settlement of the outstanding loans under the Deed of Settlement constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and are subject to notification and announcement requirements pursuant to Chapter 19 of the GEM Listing Rules.

## **DEFINITIONS**

“Board”	the board of Directors
“Company”	Sun International Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the GEM
“connected person(s)”	as the meaning ascribed to it under the GEM Listing Rules
“Customer A”	the borrower under the Loan Agreement A, being an individual and an Independent Third Party

“Customer B”	the borrower under the Loan Agreement B, being a corporation incorporated in the British Virgin Islands legally and beneficially wholly-owned by Customer A
“Customers”	Customer A and Customer B
“Deed of Settlement”	the deed of settlement dated 11 September 2018 and entered into among Sun Finance, Customer A and Customer B in respect of the outstanding loans and interest under the Loan Agreements
“Directors”	the Directors of the Company
“Final Repayment Date”	11 March 2021
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected person(s)
“Loan Agreement A”	the loan agreement dated 8 June 2012 entered into between Sun Finance and Customer A in respect of a loan in the principal amount of HK\$50 million
“Loan Agreement B”	the loan agreement dated 23 July 2013 entered into between Sun Finance and Customer B in respect of a loan in the principal amount of HK\$45 million
“Loan Agreements”	the Loan Agreement A and the Loan Agreement B
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Previous Deed of Settlement A”	the deed of settlement dated 31 March 2016 and entered into among Sun Finance and Customer A in relation to the settlement of the outstanding loan and interest under the Loan Agreement A

“Previous Deed of Settlement B”	the deed of settlement dated 31 March 2016 and entered into among Sun Finance and Customer B in relation to the settlement of the outstanding loan and interest under the Loan Agreement B
“Previous Deeds of Settlement”	the Previous Deed of Settlement A and the Previous Deed of Settlement B
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sun Finance”	Sun Finance Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Unpaid Sum”	the principals and interest payable but unpaid under the Loan Agreements in the amount of HK\$49,839,000
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By Order of the Board  
**Sun International Group Limited**  
**Cheng Ting Kong**  
*Chairman*

Hong Kong, 11 September 2018

*As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Cheng Ting Kong, Ms. Cheng Mei Ching and Mr. Lui Man Wah and three independent non-executive Directors, namely, Mr. Chan Tin Lup, Trevor, Mr. Tou Kin Chuen and Mr. Jim Ka Shun.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of posting and on the designed website of this Company at <http://www.sun8029.com/>.*