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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
PROVISION OF FINANCIAL ASSISTANCE

EXTENSION OF THE FIRST LOAN AGREEMENT

On 23 November 2018 (after trading hours of the Stock Exchange), Sun Finance, being a wholly-owned subsidiary of the Company, and the Borrower entered into the Supplemental Agreement to extend the maturity date of the First Loan under the First Loan Agreement to 28 February 2019.

SECOND LOAN AGREEMENT

On 23 November 2018 (after trading hours of the Stock Exchange), Sun Finance, a wholly-owned subsidiary of the Company, as lender entered into the Second Loan Agreement with the Customer as borrower, pursuant to which Sun Finance agreed to provide the Second Loan in the principal amount of HK\$10,000,000 to the Customer for a term of one year from 23 November 2018.

GEM LISTING RULES IMPLICATIONS

The extension of the First Loan and the grant of the Second Loan are financial assistance provided by the Company within the meaning of the GEM Listing Rules. As each of the extension of the First Loan and the grant of the Second Loan is made by the Group to the Customer, the transactions under the First Loan Agreement (as amended) and the Second Loan Agreement are aggregated under Rule 19.22 of the GEM Listing Rules. As one or more of the applicable percentage ratios in respect of the Loans exceed 5% but are less than 25%, the provision of the Loans 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.

EXTENSION OF THE FIRST LOAN AGREEMENT

On 23 November 2018 (after trading hours of the Stock Exchange), Sun Finance, being a wholly-owned subsidiary of the Company, and the Borrower entered into the Supplemental Agreement to extend the maturity date of the First Loan to 28 February 2019.

The principal terms of the First Loan Agreement (as amended by the Supplemental Agreement) are summarised as follows:–

Date of agreement	:	28 February 2017 (amended on 23 November 2018)
Lender	:	Sun Finance
Borrower	:	the Customer
Principal amount of the loan	:	HK\$35,000,000
Interest	:	24% per annum payable monthly in arrears on the 28th day of each month
Default interest	:	36% per annum from and including the due date to the date of actual payment
Maturity date	:	28 February 2019 (which may be extended for 12 months at the option of Sun Finance)
Security	:	(i) the second mortgage in respect of a residential property, a car park space and ancillary space located in Magazine Gap Road, Hong Kong (the “Properties”); and (ii) a personal guarantee executed by the Guarantor
Repayment	:	the Customer shall repay Sun Finance all the outstanding loan together with all accrued interest and other monies outstanding on the maturity date

As at the date of this announcement, the Borrower is indebted to Sun Finance an outstanding amount of HK\$35,598,356 comprising (i) HK\$35,000,000, being the principal amount of the First Loan; and (ii) HK\$598,356, being the outstanding interest accrued on the First Loan up to and including the date of this announcement which is payable on 28 November 2018.

SECOND LOAN AGREEMENT

On 23 November 2018 (after trading hours of the Stock Exchange), Sun Finance, a wholly-owned subsidiary of the Company, as lender entered into the Second Loan Agreement with the Customer as borrower, pursuant to which Sun Finance agreed to provide the Second Loan in the principal amount of HK\$10,000,000 to the Customer for a term of one year from 23 November 2018.

The principal terms of the Second Loan Agreement are summarised as follows:–

Date of agreement	:	23 November 2018
Lender	:	Sun Finance
Borrower	:	the Customer
Principal amount of the loan	:	HK\$10,000,000
Interest	:	36% per annum payable monthly in arrears on the 23rd day of each month
Default interest	:	36% per annum from and including the due date to the date of actual payment
Maturity date	:	23 November 2019 (which may be extended for 12 months or such other period if so agreed between Sun Finance and the Customer)
Security	:	(i) the second mortgage in respect of the Properties; and (ii) a personal guarantee executed by the Guarantor
Repayment	:	the Customer shall repay Sun Finance all the outstanding loan together with all accrued interest and other monies outstanding on the maturity date

FUNDING OF THE SECOND LOAN

The Group financed the Second Loan with its internal resources.

INFORMATION ON THE CUSTOMER

The Customer, a company incorporated in Hong Kong with limited liability and is wholly-owned by the Guarantor, is an existing customer of the Group.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Customer is principally engaged in investment holding business and each of the Customer and the Guarantor and their respective associates is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE EXTENSION OF THE MATURITY DATE OF THE FIRST LOAN AND THE PROVISION OF THE SECOND LOAN

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 (Chapter 163 of the Laws of Hong Kong). Sun Finance conducts money lending business solely in Hong Kong and its loan portfolio consists of large loans as well as small personal loans which are provided to both individual and corporate clients, mainly small and medium-sized enterprises.

The extension of the maturity date of the First Loan was negotiated on an arm's length basis between Sun Finance and the Customer. The Directors are of the view that the extension of the maturity date of the First Loan would generate more interest income from the First Loan. Given the above and the security provided pursuant to the First Loan Agreement, the Directors consider that the extension of the maturity date of the First Loan is fair and reasonable and in the interests of the Company and its shareholders as a whole.

The terms of the Second Loan Agreement were negotiated on an arm's length basis between Sun Finance and the Customer. The Directors are of the view that the terms of the Second Loan Agreement were entered into on normal commercial terms based on the Group's credit policy. Given (i) the security provided pursuant to the Second Loan Agreement; and (ii) the expected stable revenue and cashflow stream from the interest income under the Second Loan, the Directors consider that the terms of the Second Loan Agreement are fair and reasonable and the entering into of the Second Loan Agreement is in the interests of the Company and its shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

The extension of the First Loan and the grant of the Second Loan are financial assistance provided by the Company within the meaning of the GEM Listing Rules. As each of the extension of the First Loan and the grant of the Second Loan is made by the Group to the Customer, the transactions under the First Loan Agreement (as amended) and the Second Loan Agreement are aggregated under Rule 19.22 of the GEM Listing Rules. As one or more of the applicable percentage ratios in respect of the Loans exceed 5% but are less than 25%, the provision of the Loans 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

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“associate(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	the board of Directors
“Borrower”	the borrower under the First Loan Agreement and the Second Loan Agreement, being a company incorporated in Hong Kong with limited liability and the entire issued share capital of which is owned by the Guarantor, and an Independent Third Party
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“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 (Stock code: 8029)
“connected person”	has the meaning ascribed to it in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“First Loan”	the secured loan in the principal amount of HK\$35,000,000 provided by Sun Finance to the Customer under the First Loan Agreement
“First Loan Agreement”	the loan agreement dated 28 February 2017 and entered into between Sun Finance as lender and the Borrower as borrower in relation to the provision of the First Loan
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Guarantor”	an individual and the owner of the entire issued share capital of the Borrower, and an Independent Third Party

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owners (if applicable) that are third parties independent of and not connected with the Company and its connected persons
“Loans”	The First Loan and the Second Loan
“Second Loan”	the secured loan in the principal amount of HK\$10,000,000 provided by Sun Finance to the Customer under the Second Loan Agreement
“Second Loan Agreement”	the loan agreement dated 23 November 2018 and entered into between Sun Finance as lender and the Borrower as borrower in relation to the provision of the Second Loan
“Shareholder(s)”	holder(s) of the issued Shares
“Shares”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“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
“Supplemental Agreement”	the supplemental agreement dated 23 November 2018 and entered into between Sun Finance and the Borrower to extend the maturity date of the First Loan
“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, 23 November 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at 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/>.