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**英皇文化產業集團有限公司**  
**Emperor Culture Group Limited**  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 491)

## **ANNOUNCEMENT IN RELATION TO INSIDE INFORMATION UNDER RULE 13.09 OF THE LISTING RULES**

This announcement is issued by Emperor Culture Group Limited (the “**Company**” together with its subsidiaries collectively referred to as the “**Group**”) pursuant to the requirements of Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **Application to the High Court for an injunction**

The board of directors of the Company (the “**Board**” or “**Directors**”) announces that on 15 July 2022, Emperor UA Cinemas Limited (“**Emperor UA**”, a 70%-owned subsidiary of the Company), has commenced a proceeding in the Court of First Instance in the High Court of Hong Kong Special Administrative Region (the “**High Court**”) by way of originating summons for an injunction order against Lark China Cinema Investments Limited (“**UA Minority Shareholder**”, a 30%-equity shareholder of Emperor UA, being a business partner since the commencement of business of Emperor UA cinemas) from presenting a winding-up petition against Emperor UA, based on the alleged shareholder loan of approximately HK\$70 million (the “**Alleged Shareholder Loan**”) in respect of which a statutory demand dated 30 June 2022 (the “**Statutory Demand**”) was served on Emperor UA (the “**Injunction Proceeding**”). Emperor UA has also applied for interim hearing on 22 July 2022 seeking for an interim injunction order to restrain UA Minority Shareholder from presenting a winding-up petition against Emperor UA pending the determination of the Injunction Proceeding.

### **Background**

On 30 June 2022, the Statutory Demand was served on Emperor UA by UA Minority Shareholder to demand Emperor UA to pay the Alleged Shareholder Loan, which was the pro-rata contribution of working capital by UA Minority Shareholder according to the shareholding ratio since incorporation of Emperor UA, within twenty-one (21) days from the issue date of the Statutory Demand, failing which UA Minority Shareholder may present a winding-up petition against Emperor UA.

## **Follow-up Action**

Having sought the legal advice, the Directors are of the opinion that the demand for the repayment of the Alleged Shareholder Loan as per the Statutory Demand is unauthorized which is untenable, and also unlawful. Despite the Company's effort on explaining the invalidity of the Statutory Demand to UA Minority Shareholder, UA Minority Shareholder refused to withdraw the Statutory Demand and Emperor UA has no alternative but to take out the Injunction Proceeding so as to protect the interest of the Company and its shareholders. Besides, Emperor UA had proposed to all its shareholders a working capital injection plan on a pro-rata basis for the development and operation of cinema projects under Emperor UA, but had been turned down subsequently by UA Minority Shareholder.

At present, Emperor UA together with its subsidiary are engaged in the operation of seven cinemas located in Shanghai, Shenzhen, Chengdu, Foshan and Zhuhai of mainland China. The Group has sufficient capital for the operation and future development of its cinema business. Against the gloom of the pandemic, the management of the Company has been proactively responding to the market challenges and taking all necessary actions for striving to continue to develop its cinema operation in China. The Group remains positive towards the outlook of China's film exhibition market in the long-run and is confident to seize the opportunities when the industry recovers from the pandemic.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the board  
**Emperor Culture Group Limited**  
**Fan Man Seung, Vanessa**  
*Chairperson*

Hong Kong, 15 July 2022

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

*Executive Directors:*

Ms. Fan Man Seung, Vanessa  
Mr. Wong Chi Fai  
Mr. Yeung Ching Loong, Alexander  
Ms. Shirley Percy Hughes

*Independent Non-Executive Directors:*

Ms. Chan Sim Ling, Irene  
Mr. Ho Tat Kuen  
Ms. Tam Sau Ying