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## **RYKADAN CAPITAL LIMITED**

**宏基資本有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2288)**

### **DISCLOSURE PURSUANT TO RULES 13.14 AND 13.15 OF THE LISTING RULES**

To meet the working capital requirements of the Fastest Runner Group, the Group had from time to time provided financial assistance to the Fastest Runner Group. On 8 October 2024, the Group further advanced the New Advance to Fastest Runner. The New Advance is non-interest bearing, unsecured and does not have a fixed term of repayment.

The advancement of the New Advance and the Additional Advances constitutes “relevant advance to an entity” under Rule 13.11(2)(c) of the Listing Rules. As upon the advancement of the New Advance, the aggregate amount of all relevant advances to the Fastest Runner Group has increased from that disclosed in the Second Announcement and the amount of the increase since the Second Announcement is more than 3% under the assets ratio as defined under Rule 14.07 of the Listing Rules, this announcement is issued in compliance with Rules 13.14 and 13.15 of the Listing Rules.

### **BACKGROUND**

Fastest Runner, in which Divine Power and Rykadan Fund own 20% and 80% of its issued share capital respectively, was established pursuant to the joint venture arrangement made between Divine Power and Rykadan Fund in 2017. The Fastest Runner Group is engaging in the single purpose project of acquiring and redeveloping the Property for sale. Construction of the Property was completed in 2022 and, as at the date of this announcement, over 58% of the available-for-sale units and car parking spaces of the Property were sold and handed over to buyers. The remaining units of the Property are being marketed to buyers.

## ADVANCES TO THE FASTEST RUNNER GROUP

To meet the working capital requirements of the Fastest Runner Group to finance the development and sale of the Property, the Group had from time to time provided financial assistance to the Fastest Runner Group.

### Previous Advances

As disclosed in the First Announcement, an aggregate sum of HK\$164,800,000 had been advanced by the Company to Fastest Runner for the purpose of acquiring the Property.

As disclosed in the Second Announcement, further advances amounted to HK\$40,565,000 in aggregate had been advanced by the Company to Fastest Runner to finance the working capital requirements of the Fastest Runner Group and the Company Guarantee was provided by the Company as security for the banking facility obtained by Capital Universal for the purpose of its application to the Lands Department of the Hong Kong Government for the pre-sale consent in relation to the Property. The Company Guarantee was released in March 2023.

### New Advance

On 8 October 2024, the Group further advanced the New Advance, in the principal amount of HK\$7,040,412.92, to Fastest Runner. The New Advance is non-interest bearing, unsecured and does not have a fixed term of repayment.

### Additional Advances

Since the issue of the Second Announcement and up to the date of this announcement, in addition to the New Advance, the Group had also on various dates advanced the following amounts to Fastest Runner (collectively referred to as the “**Additional Advances**”):

<u>Date of advancement</u>	<u>Principal amount advanced</u> <i>HK\$</i>
7 October 2021	11,025,000.00
3 November 2021	3,250,000.00
17 March 2023	7,168,617.00
20 April 2023	2,116,449.00
17 May 2023	7,339,299.00
12 June 2023	2,730,902.00
18 September 2023	6,315,211.00
21 December 2023	14,329,522.00

\* *All principal amounts advanced as disclosed above are still outstanding as at the date of this announcement*

Of the Additional Advances, those made in 2021 are non-interest bearing, unsecured and do not have a fixed term of repayment while those made in 2023 bear interest at the rate of 15% per annum and are unsecured and repayable on or before 31 December 2024.

The Additional Advances and the New Advance were made pro rata to the Group's shareholding in Fastest Runner and were financed by the Group's banking facilities and internally generated funds.

## **INFORMATION ON THE PARTIES**

The Company is an investment holding company and provides corporate management services. The Group operates and invests in real estate development, real estate investment and distribution of building materials.

Fastest Runner is an investment holding company.

Capital Universal is an indirect wholly-owned subsidiary of Fastest Runner and the owner of the Property (other than those units already disposed of). It is principally engaged in property development business.

## **LISTING RULES IMPLICATIONS**

The advancement of the New Advance and the Additional Advances constitutes "relevant advance to an entity" under Rule 13.11(2)(c) of the Listing Rules. As upon the advancement of the New Advance, the aggregate amount of all relevant advances to the Fastest Runner Group has increased from that disclosed in the Second Announcement and the amount of the increase since the Second Announcement is more than 3% under the assets ratio as defined under Rule 14.07 of the Listing Rules, this announcement is issued in compliance with Rules 13.14 and 13.15 of the Listing Rules.

## **DEFINITIONS**

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

"Additional Advances"	as such term is defined under the section headed "ADVANCES TO THE FASTEST RUNNER GROUP – Additional Advances" in this announcement
"affiliated company"	has the meaning given to it in Rule 13.11(2)(a) of the Listing Rules
"Board"	the board of Directors
"Capital Universal"	Capital Universal Investment Limited 加宇投資有限公司, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Fastest Runner

“Company”	Rykadan Capital Limited, an exempt company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 2288)
“Company Guarantee”	has the meaning ascribed to it in the Second Announcement
“Director(s)”	the director(s) of the Company
“Divine Power”	Divine Power Holdings Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Fastest Runner”	Fastest Runner Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and an affiliated company of the Company
“Fastest Runner Group”	Fastest Runner and its subsidiaries
“First Announcement”	the announcement of the Company dated 5 December 2017 disclosing, among others, the particulars of the aggregate sum of HK\$164,800,000 advanced by the Company to Fastest Runner for the purpose of acquiring the Property
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Advance”	an advance in the principal amount of HK\$7,040,412.92 advanced by the Company to Fastest Runner on 8 October 2024, such amount is non-interest bearing, unsecured and does not have a fixed repayment term
“Property”	the property located at No. 23 Wong Chuk Hang Road, Hong Kong
“Rykadan Fund”	Rykadan Real Estate Fund LP, an exempted limited partnership established and registered under the laws of the Cayman Islands and its general partner is Rykadan Real Estate Fund GP Limited, a company incorporated under the laws of the Cayman Islands, being an indirect wholly-owned subsidiary of the Company

“Second Announcement”	the announcement of the Company dated 30 July 2021 disclosing the particulars of the aggregate sum of HK\$40,565,000 advanced by the Company to Fastest Runner and the provision of the Company Guarantee since the First Announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board  
**Rykadan Capital Limited**  
**Chan William**  
*Chairman and Chief Executive Officer*

Hong Kong, 8 October 2024

*As at the date of this announcement, the Board comprises Mr. CHAN William (Chairman and Chief Executive Officer), and Mr. LO Hoi Wah, Heywood (Chief Financial Officer) as executive Directors, Mr. NG Tak Kwan as a non-executive Director and Mr. TO King Yan, Adam, Mr. HO Kwok Wah, George and Ms. KHAN Sabrina as independent non-executive Directors.*