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## **ERNEST BOREL HOLDINGS LIMITED**

### **依波路控股有限公司**

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

**(Stock Code: 1856)**

## **FULL REDEMPTION OF CONVERTIBLE BOND**

References are made to the announcements of the Company (i) dated 5 January 2017 and 12 January 2017 in relation to, among other things, the issue of the HK\$100,000,000 10% guaranteed Convertible Bond due 2019; and (ii) dated 30 October 2018 in relation to the partial redemption of the Convertible Bond at the principal amount of HK\$20,000,000 (collectively, the “**Announcements**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

Pursuant to the terms and conditions of the Convertible Bond, at any time after the first (1st) anniversary of the Issue Date and from time to time, upon the Company giving thirty (30) days prior written notice to CB Holder, the Company may redeem all or any such Convertible Bond at the outstanding principal amount plus accrued and unpaid interests on such date as specified therein.

On 7 November 2018, the Company redeemed all of the outstanding Convertible Bond at the principal amount of HK\$80,000,000 (the “**Redemption**”). As of the date of this announcement, none of the principal amount of the Convertible Bonds has been converted into Conversion Shares. Immediately after the completion of the Redemption, the Convertible Bond has been fully redeemed and there is no outstanding Convertible Bond in issue.

The total price payable by the Company for the Redemption was funded by a shareholder's loan (the "**Shareholder's Loan**") provided by Citychamp Watch & Jewellery Group Limited, the controlling shareholder and a connected person of the Company (as defined under Chapter 14A of the Listing Rules). As the Shareholder's Loan is provided by a connected person of the Company on normal commercial terms or better without any security over the assets of the Group, it is fully exempt under Rule 14A.90 of the Listing Rules from all reporting, announcement and shareholders' approval requirements. The Board has reviewed the financial position of the Group and is of the view that the Redemption would not have any adverse effect on the Group's financial position.

By Order of the board of directors of  
**Ernest Borel Holdings Limited**  
**Shang Jianguang**  
*Chairman*

Hong Kong, 7 November 2018

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors:* Mr. Shang Jianguang, Mr. Teguh Halim,  
Mr. Xiong Wei and Ms. Lam Lai

*Non-executive Directors:* Mr. Xiong Ying

*Independent non-executive Directors:* Mr. Lui Wai Ming, Mr. To Chun Kei and  
Ms. Chan Lai Wa