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英皇證券集團有限公司*
Emperor Capital Group Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 717)

CONTINUING CONNECTED TRANSACTIONS

The Board announces that on 13 September 2013, Profit Broad as tenant entered into the First Tenancy Agreement and the Second Tenancy Agreement with Headwise as landlord in relation to the tenancies of the First Property and the Second Property whilst Profit Broad as tenant entered into the Third Tenancy Agreement with Active Pace as landlord in relation to the tenancy of the Third Property.

Headwise and Active Pace are indirect wholly-owned subsidiaries of Emperor International. Profit Broad is an indirect wholly-owned subsidiary of the Company. Emperor International and the Company are indirectly owned as to 74.93% and 66.82% respectively by the AY Trust. As such, Profit Broad is a connected person of Emperor International whilst Headwise and Active Pace are connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the Tenancy Agreements constitute continuing connected transactions for the Company.

As the applicable percentage ratios on an annual basis calculated with reference to the Aggregate Annual Cap of the Company are more than 0.1% but less than 5% under Rule 14A.34 of the Listing Rules, the Tenancy Agreements are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, the annual review requirements set out in Rules 14A.37 and 14A.40 and the requirements set out in Rules 14A.35(1) and 14A.35(2) but are exempted from the approval of independent shareholders of the Company.

The Board announces that on 13 September 2013, Profit Broad as tenant entered into the First Tenancy Agreement and the Second Tenancy Agreement with Headwise as landlord in relation to the tenancies of the First Property and the Second Property whilst Profit Broad as tenant entered into the Third Tenancy Agreement with Active Pace as landlord in relation to the tenancy of the Third Property.

** for identification purposes only*

FIRST TENANCY AGREEMENT DATED 13 SEPTEMBER 2013

Landlord: Headwise

Tenant: Profit Broad

Premises: Unit 603, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 851 sq. ft.

Usage: for office

Term: from 15 September 2013 to 31 March 2016 (both days inclusive)

Rent: HK\$24,253.50 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Rent free period: 21 days from 15 September 2013 to 5 October 2013 (both days inclusive)

Effective rent: HK\$23,727.64 per month

Deposit: HK\$90,462.60 which is equivalent to three months' rent, management fee and rates

SECOND TENANCY AGREEMENT DATED 13 SEPTEMBER 2013

Landlord: Headwise

Tenant: Profit Broad

Premises: Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,431 sq.ft.

Usage: for office

Term: from 15 September 2013 to 31 March 2016 (both days inclusive)

Rent: HK\$44,361.00 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Rent free period: 14 days from 15 September 2013 to 28 September 2013 (both days inclusive)

Effective rent: HK\$43,730.73 per month

Deposit: HK\$162,728.10 which is equivalent to three months' rent, management fee and rates

THIRD TENANCY AGREEMENT DATED 13 SEPTEMBER 2013

Landlord:	Active Pace
Tenant:	Profit Broad
Premises:	Unit 606, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,510 sq.ft.
Usage:	for office
Term:	from 15 September 2013 to 31 March 2016 (both days inclusive)
Rent:	HK\$43,035.00 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance
Rent free period:	21 days from 15 September 2013 to 5 October 2013 (both days inclusive)
Effective rent:	HK\$42,101.93 per month
Deposit:	HK\$160,251.00 which is equivalent to three months' rent, management fee and rates

AGGREGATE ANNUAL CAP OF THE TENANCY AGREEMENTS AND THE PREVIOUS TENANCY AGREEMENTS

The Aggregate Annual Cap of the Company for the Tenancy Agreements and the Previous Tenancy Agreements (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental paid/payable for each of the years ending 30 September 2013, 2014, 2015 and 2016 will be as follows:

	2013	2014	2015	2016
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
First Tenancy Agreement	13,000	285,000	285,000	143,000
Second Tenancy Agreement	24,000	525,000	525,000	263,000
Third Tenancy Agreement	23,000	506,000	506,000	253,000
First Previous Tenancy Agreement	486,000	647,000	162,000	-
Second Previous Tenancy Agreement	207,000	-	-	-
Third Previous Tenancy Agreement	459,000	-	-	-
	<i>(Note)</i>			
Fourth Previous Tenancy Agreement	369,000	-	-	-
Fifth Previous Tenancy Agreement	3,080,000	1,540,000	-	-
Total	<u>4,661,000</u>	<u>3,503,000</u>	<u>1,478,000</u>	<u>659,000</u>

Note :-

The tenancy for Unit 1605, 16/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong, being part of the Third Previous Property under the Third Previous Tenancy Agreement, was early terminated on 17 November 2012. The sum includes the effective rental of HK\$35,000 paid in respect of the aforementioned property for the period from 1 October 2012 to 16 November 2012. The balance of HK\$424,000 effective rental paid was for the tenancy of Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong, being the remaining portion of the Third Previous Property.

REASONS AND BENEFITS FOR THE TENANCY AGREEMENTS

The Company is an investment company and its subsidiaries are principally engaged in the provision of financial services in Hong Kong, including (i) brokerage services for securities, futures and options traded on the exchanges in Hong Kong, the United States, Japan and the United Kingdom, as well as wealth management and asset management services; (ii) providing margin and IPO financings as well as loans and advances such as personal money lending and second mortgage loan; (iii) placing and underwriting services; and (iv) corporate finance advisory. The First Property, the Second Property and the Third Property are used by the Company for office use.

The terms of the Tenancy Agreements were arrived at after arm's length negotiation and are on normal commercial terms. The rentals of the Tenancy Agreements were determined with reference to the prevailing market rent of similar properties in the nearby locations. The Directors (including the independent non-executive directors) considered that the Tenancy Agreements are on normal commercial terms, in the ordinary and usual course of business, fair and reasonable and in the interests for the Company and its shareholders as a whole. Ms. Daisy Yeung, the Managing Director of the Company, did abstain from voting at the board meeting of the Company in view of her material interests in the transaction by virtue of being one of the eligible beneficiaries of the AY Trust which is the ultimate owner of the landlords.

GENERAL

Headwise and Active Pace are indirect wholly-owned subsidiaries of Emperor International and principally engaged in property investment. Profit Broad is an indirect wholly-owned subsidiary of the Company and principally engaged in the provision of nominee and agent services for the Company and its subsidiaries.

Emperor International and the Company are indirectly owned as to 74.93% and 66.82% respectively by the AY Trust. As such, Profit Broad is a connected person of Emperor International whilst Headwise and Active Pace are the connected persons of the Company under Chapter 14A of the Listing Rules. Accordingly, the Tenancy Agreements constitute continuing connected transactions for the Company.

As the applicable percentage ratios on an annual basis calculated with reference to the Aggregate Annual Cap of the Company are more than 0.1% but less than 5% under Rule 14A.34 of the Listing Rules, the Tenancy Agreements are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, the annual review requirements set out in Rules 14A.37 and 14A.40 and the requirements set out in Rules 14A.35(1) and 14A.35(2) but are exempted from the approval of independent shareholders of the Company.

TERMS USED IN THIS ANNOUNCEMENT

“Active Pace”	Active Pace Investment Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Emperor International and principally engaged in property investment
“Aggregate Annual Cap”	the maximum amount of effective rental paid/payable by the Company under the Tenancy Agreements and the Previous Tenancy Agreements based on the total annual effective rental paid/payable for each of the years ending 30 September 2013, 2014, 2015 and 2016
“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Yeung Sau Shing, Albert
“Board”	board of Directors
“Directors”	directors of the Company
“Emperor International”	Emperor International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Company”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Fifth Previous Property”	24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft.
“Fifth Previous Tenancy Agreement”	a tenancy agreement dated 28 February 2011 entered into between Very Sound and Profit Broad in relation to the tenancy of the Fifth Previous Property for the period from 1 April 2011 to 31 March 2014 (both days inclusive), details were set out in the joint announcement of Emperor International and the Company dated 28 February 2011
“First Property” or “Second Previous Property”	Unit 603, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 851 sq. ft.
“First Previous Property”	Unit 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 2,230 sq. ft.

“First Previous Tenancy Agreement”	a tenancy agreement dated 20 December 2012 entered into between Headwise and Profit Broad in relation to the tenancy of the First Previous Property for the period from 1 January 2013 to 31 December 2014 (both days inclusive), details were set out in the joint announcement of Emperor International and the Company dated 20 December 2012
“Fourth Previous Tenancy Agreement”	a tenancy agreement dated 31 August 2011 entered into between Active Pace and Profit Broad in relation to the tenancy of the Fourth Previous Property for the period from 15 September 2011 to 14 September 2013 (both days inclusive), details were set out in the joint announcement of Emperor International and the Company dated 31 August 2011
“First Tenancy Agreement”	a tenancy agreement dated 13 September 2013 entered into between Headwise and Profit Broad in relation to the renewal of the tenancy of the First Property
“Headwise”	Headwise Investment Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Emperor International
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Previous Tenancy Agreements”	the First Previous Tenancy Agreement, the Second Previous Tenancy Agreement, the Third Previous Tenancy Agreement, the Fourth Tenancy Agreement and the Fifth Previous Tenancy Agreement
“Profit Broad”	Profit Broad Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Second Previous Tenancy Agreement”	a tenancy agreement dated 31 August 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the Second Previous Property for the period from 15 October 2011 to 14 September 2013 (both days inclusive), details were set out in the joint announcement of Emperor International and the Company dated 31 August 2011
“Second Property”	Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,431 sq. ft.

“Second Tenancy Agreement”	a tenancy agreement dated 13 September 2013 entered into between Headwise and Profit Broad in relation to the tenancy of the Second Property
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	the First Tenancy Agreement, the Second Tenancy Agreement and the Third Tenancy Agreement
“Third Previous Property”	Unit 1605, 16/F and Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 941 sq. ft. and 1,431 sq. ft. respectively
“Third Previous Tenancy Agreement”	a tenancy agreement dated 31 August 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the Third Previous Property for the period from 15 September 2011 to 14 September 2013 (both days inclusive), details were set out in the joint announcement of Emperor International and the Company dated 31 August 2011
“Third Property” or “Fourth Previous Property”	Unit 606, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,510 sq. ft.
“Third Tenancy Agreement”	a tenancy agreement dated 13 September 2013 entered into between Active Pace and Profit Broad in relation to renewal of the tenancy of the Third Property
“Very Sound”	Very Sound Investments Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor International and principally engaged in property investment
“HK\$”	Hong Kong dollars

“sq. ft.” square feet

“%” per cent

By order of the board
Emperor Capital Group Limited
Daisy Yeung
Managing Director

Hong Kong, 13 September 2013

As at the date hereof, the Board comprises:

Executive Directors:

Ms. Daisy Yeung
Mr. Chan Shek Wah
Ms. Choi Suk Hing, Louisa
Ms. Pearl Chan

Independent Non-Executive Directors:

Mr. Kwok Chi Sun, Vincent
Mr. Cheng Wing Keung, Raymond
Mr. Chu Kar Wing