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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

PROVISION OF FINANCIAL SERVICES

The term of the 2015 Yeung FSA and 2015 Emperor Group FSA both dated 10 September 2015 in relation to the provision of financial services will expire on 30 September 2018. In order to continue such similar financial services, the Company entered into (i) the 2018 Yeung FSA; and (ii) the 2018 Emperor Group FSA with the relevant parties on 27 August 2018.

The Yeung Family and the Emperor Group are connected persons of the Company under Chapter 14A of the Listing Rules. As such, the transactions contemplated under the 2018 Yeung FSA and the 2018 Emperor Group FSA constitute continuing connected transactions of the Company.

The applicable percentage ratios calculated with reference to each of Yeung Proposed Annual Caps and Emperor Group Proposed Annual Caps exceed 5%, and the respective annual amount exceeds HK\$10 million. Accordingly, the 2018 Yeung FSA, the 2018 Emperor Group FSA, the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps are subject to announcement, the Independent Shareholders' approval and reporting requirements under the Listing Rules.

** for identification purpose only*

A circular containing, amongst others, the details of the 2018 Yeung FSA, the 2018 Emperor Group FSA, the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps, a letter of recommendation from the Independent Board Committee, a letter of advice from the independent financial adviser together with a notice convening the SGM will be dispatched to the Shareholders on or before 17 September 2018 in accordance with the requirements of the Listing Rules.

BACKGROUND

Pursuant to the 2015 FSA, the Group provides various financial services to the Yeung Family and the listed members of the Emperor Group in accordance with the terms and conditions thereof for the period from 1 October 2015 to 30 September 2018. The term of these agreements will expire on 30 September 2018. In order for the Group to continue to provide financial services to the Yeung Family and the listed members of the Emperor Group which cover a wide range of services of the Group, the Board announces that the Company entered into the 2018 Yeung FSA and the 2018 Emperor Group FSA on 27 August 2018.

2018 YEUNG FSA

Pursuant to the 2018 Yeung FSA, the Group has agreed to (a) provide to the members of the Yeung Family (i) brokerage services for securities, futures and options trading; (ii) wealth management and asset management services; (iii) financing services including margin loans, IPO loans and term loans; and (iv) financial advisory services; (b) pay commission and fee to the Yeung Family, including (i) the commission and fee for their acting as placees or underwriters for the securities of the Company or for the securities underwritten or placed by the Group, and (ii) referral fee for introducing clients to the Group relating to the Group's business, commencing from 1 October 2018 up to 30 September 2021.

Detailed rates and terms (including the payment of commission and fee to the Yeung Family) will be specified in the individual contract(s) of each transaction based on the type of services and the considerations are normally settled by cash; and will be on normal commercial terms with reference to the market price and practice, and in any event no less favourable to the Group than those available to Independent Third Party.

The provision of the services between Yeung Family and the Group under the 2018 Yeung FSA is within the ordinary course of business of the Group.

In determining the annual caps under the 2018 Yeung FSA, the Directors have categorized the transactions thereunder as follows:

- (i) commission, brokerage, fees and interest income to be received from the Yeung Family;
- (ii) margin loans to be provided to the Yeung Family;
- (iii) IPO loans to be provided to the Yeung Family;
- (iv) term loans to be provided to the Yeung Family, such as tax loan, mortgage loan or loan for business or personal needs;
- (v) financial advisory services to be provided to the Yeung Family (including general corporate financial advice such as corporate governance issues, shareholders' dealings in shares, corporate investment and advice on Listing Rules or Takeovers Code); and
- (vi) commission and fee to be paid to the Yeung Family for their acting as placees or underwriters for the securities or bonds to be issued (if any) by the Company or for the securities and bonds underwritten or placed by the Group, and/or referral fee for introducing clients to the Group relating to the Group's business.

Yeung Previous Annual Caps

Set out below are the Yeung Previous Annual Caps obtained for the 2015 Yeung FSA:

	Yeung Previous Annual Caps For the financial year ended/ending 30 September		
	2016 HK\$'000	2017 HK\$'000	2018 HK\$'000
(i) Commission, brokerage, fees and interest income from the Yeung Family	99,000	103,000	108,000
(ii) Maximum margin loan amount to the Yeung Family	600,000	600,000	600,000
(iii) Maximum IPO loan amount to the Yeung Family	200,000	200,000	200,000
(iv) Maximum term loan amount to the Yeung Family	280,000	280,000	280,000
(v) Financial advisory fee from the Yeung Family	10,000	12,000	15,000
(vi) Commission and fee to the Yeung Family for their services being provided to the Group	31,000	36,000	44,000
Total	1,220,000	1,231,000	1,247,000

Historical transactions amounts under the 2015 Yeung FSA

Set out below are the historical transaction amounts under the 2015 Yeung FSA between the Yeung Family and the Group for the Period:

	For the financial year ended 30 September		For the nine months ended 30 June
	2016 <i>HK\$ '000</i>	2017 <i>HK\$ '000</i>	2018 <i>HK\$ '000</i>
(i) Commission, brokerage, fees and interest income from the Yeung Family	3,228	3,748	14,085
(ii) Maximum margin loan amount to the Yeung Family	50,765	48,881	489,653
(iii) Maximum IPO loan amount to the Yeung Family	390	5,682	13,773
(iv) Financial advisory fee from the Yeung Family	0	3,125	0
(v) Commission and fee to the Yeung Family for their services being provided to the Group	7,020	460	5,818

During the Period, no term loan was granted to any members of the Yeung Family. All the Yeung Previous Annual Caps under the 2015 Yeung FSA are not exceeded as at the date of this announcement and it is expected that the transaction amounts made up to 30 September 2018 will not exceed such caps.

Yeung Proposed Annual Caps

Set out below are the Yeung Proposed Annual Caps for the 2018 Yeung FSA:

	Yeung Proposed Annual Caps For the financial year ending 30 September		
	2019 <i>HK\$'000</i>	2020 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
(i) Commission, brokerage, fees and interest income from the Yeung Family	91,000	91,000	91,000
(ii) Maximum margin loan amount to the Yeung Family	700,000	700,000	700,000
(iii) Maximum IPO loan amount to the Yeung Family	200,000	200,000	200,000
(iv) Maximum term loan amount to the Yeung Family	280,000	280,000	280,000
(v) Financial advisory fee from the Yeung Family	15,000	16,000	17,000
(vi) Commission and fee to the Yeung Family for their services being provided to the Group	31,000	36,000	42,000
Total	<u>1,317,000</u>	<u>1,323,000</u>	<u>1,330,000</u>

In determining the Yeung Proposed Annual Caps for the transactions contemplated under the 2018 Yeung FSA, the following principal factors have been taken into consideration:

- (i) Commission, brokerage, fees and interest income from the Yeung Family
 - the Yeung Proposed Annual Caps under this category shall include (i) commission and brokerage fees on dealing in securities, futures and options contracts; (ii) commission income from asset management, insurance brokerage and wealth management; and (iii) interest income from financing;

- the highest historical percentage of commission and brokerage income from members of Yeung Family to that of the Group during the Period and it is assumed that the commission and brokerage income from the members of Yeung Family for the three financial years ending 30 September 2021 to that of the Group will be at similar percentage;
 - the expected interest income to be generated assuming the proposed maximum amount of margin loans, term loans and IPO loans will be advanced to the Yeung Family for the three financial years ending 30 September 2021; and
 - the Yeung Proposed Annual Caps are calculated based on the following market rates:
 - (a) the normal market commission and brokerage fees on dealing in securities in Hong Kong range from approximately 0.1% to 0.25% of the transaction amount;
 - (b) management and performance fee from wealth and asset management will be charged at a percentage of the asset value and/or the appreciation of asset value with reference to the then prevailing market price and practice of the wealth and asset managers in the market; and
 - (c) the market interest rate for securities margin financing in Hong Kong ranges from approximately Prime Rate minus 0.5% to Prime Rate plus 5% per annum of the margin loan amount normally, whereas the interest rate for margin financing involving acquisition of a substantial interest in a listed company in Hong Kong and/or making a general offer to acquire issued shares of a listed company in Hong Kong under the Takeovers Code, the interest rate ranges from 1% to 3% per month; for the IPO loan, the current market interest rate is approximately 2% per annum or below of the IPO loan amount and varies from case to case on each IPO; for the term loan, the current market interest rate ranges from approximately 9% to 39% per annum of the term loan amount normally.
- (ii) Maximum margin loan amount to the Yeung Family
- the need of such cap for the Group to stay competitive. If the cap is not sufficient and the Group is required to obtain approval from the Independent Shareholders before granting of the loans, the Group will not be able to meet the timing constraints of the investment decisions of its clients in a timely manner;
 - past investment decisions and capital needs of the members of Yeung Family;

- the expected future funding needs of the Yeung Family for capturing potential business opportunities, which includes the need for funding investments in listed shares in Hong Kong or overseas (including margin loan financing for investment projects involve making general offers under the Takeovers Code) for the three financial years ending 30 September 2021; and
- the continuous increase in the maximum margin loan amount granted to Independent Third Parties for the year ended 30 September 2016 and 2017.

(iii) IPO financing to the Yeung Family

- the number of newly listed companies in the Stock Exchange has increased during the Period. It is expected that the IPO market will remain active in the forthcoming years, and the demand of IPO loan and potential IPO trading activities from the members of Yeung Family will remain stable for the three financial years ending 30 September 2021; and
- the existing cap amount for the Period will be sufficient for the three financial years ending 30 September 2021 for the Yeung Family.

(iv) Maximum term loan amount to the Yeung Family

- the expected funding needs of the Yeung Family for capturing potential business opportunities, which includes acquisition of properties or other assets or investment in private companies for the three financial years ending 30 September 2021; and
- despite there was no utilization of any term loan during the Period, maintaining the existing cap amount will allow flexibility for the Group if certain business opportunities derived from the property market and allow decisions to be made in a timely manner.

(v) Financial advisory fee from the Yeung Family

- the Group has been providing corporate financial advisory services to members of the Yeung Family in relation to their investment projects, including general financial advice on corporate governance issues, shareholders' dealings in shares, acquisition of listed securities, advice on Listing Rules or Takeovers Code, and acting as sponsor for the listing of some of the corporate members of the Yeung Family;
- the financial advisory fee would be received if the potential investment projects of the members of Yeung Family were materialized or completed during the Period;

- it is expected that the members of the Yeung Family will continue to engage the Group as financial advisor in their investment projects or corporate exercises in the three financial years ending 30 September 2021, particularly in complicated transactions such as general offers and IPOs; and
- the determination of the cap under this category is with reference to the market price and practice and it is expected that financial advisory fee in the market will increase in the three financial years ending 30 September 2021.

(vi) Commission and fee to the Yeung Family for their services being provided to the Group

- the Yeung Proposed Annual Caps under this category shall include commissions and fees payable to the Yeung Family (i) for their acting as placees or underwriters for the securities or bonds to be issued (if any) by the Company; (ii) for their acting as placees or underwriters for the securities and bonds of other listed companies underwritten or placed (if any) by the Group; and (iii) for introducing clients to the Group relating to the Group’s business;
- the Group has been active in participating fund raising activities during the Period. It is expected that the Group will remain active in future fund raising activities for itself and as placees and underwriters for other companies listed on the Stock Exchange which are Independent Third Parties (“Other Listed Companies”) and the members of the Yeung Family is expected to participate in the future fund raising activities of the Company (if any) or Other Listed Companies of which the Group is acting as placees or underwriters during the three financial years ending 30 September 2021;
- the commission and fee to the Yeung Family are estimated based on (i) the aggregate transaction amounts of fund raising activities that the Group has engaged during the Period; (ii) the historical transactions amounts under the 2015 Yeung FSA as compared to the Group’s commission expenses for the same period; and (iii) the market rate and the historical rate of referral fee given to Independent Third Parties for business referral by the Yeung Family; and
- despite of the recent market sentiment which may affect the amount of fund raising in the equity market, the Directors consider that the existing cap shall be maintained to allow flexibility especially when the market recovers from the downturn.

The utilization of the above caps in the future will depend on the then market condition and the investment decisions and preference of each individual member of the Yeung Family. As there is

no clear and regular investment pattern that can be derived with reference to the historical amounts, the Directors consider that the above caps may or may not be fully utilized in each of the financial year.

2018 EMPEROR GROUP FSA

Pursuant to the 2018 Emperor Group FSA, the Group has agreed to provide to the listed members of the Emperor Group (i) brokerage services for securities, futures and options trading; (ii) wealth management and asset management services; (iii) placing and underwriting services; (iv) financing services including margin loans, IPO loans and term loans, and (v) financial advisory services, commencing from 1 October 2018 up to 30 September 2021. Detailed rates and terms will be specified in the individual contract(s) of each transaction based on the type of services and the considerations are normally settled by cash; and will be on normal commercial terms with reference to the market price and practice, and in any event no less favourable to the Group than those available to Independent Third Party.

The provision of the services under the 2018 Emperor Group FSA to listed members of the Emperor Group is in the ordinary course of business of the Group.

In determining the annual caps under the 2018 Emperor Group FSA, the Directors have categorized the transactions thereunder as follows:

- (i) commission, brokerage, fees and interest income to be received from the listed members of the Emperor Group including placing and underwriting commission from acting as placing agent, underwriter or sub-underwriter;
- (ii) margin loans to be provided to the listed members of the Emperor Group;
- (iii) IPO loans to be provided to the listed members of the Emperor Group;
- (iv) term loans to be provided to the listed members of the Emperor Group; and
- (v) financial advisory services to be provided to the listed members of the Emperor Group (including general corporate financial services such as advice on Listing Rules or Takeovers Code on corporate exercises).

Emperor Group Previous Annual Caps

Set out below are the Emperor Group Previous Annual Caps obtained for the 2015 Emperor Group FSA:

	Emperor Group Previous Annual Caps For the financial year ended/ending 30 September		
	2016	2017	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Commission, brokerage and fees and interest income from the listed members of the Emperor Group	230,000	245,000	262,000
(ii) Maximum margin loan amount to the listed members of the Emperor Group	600,000	600,000	600,000
(iii) Maximum IPO loan amount to the listed members of the Emperor Group	70,000	70,000	70,000
(iv) Maximum term loan amount to the listed members of the Emperor Group	280,000	280,000	280,000
(v) Financial advisory fee from the listed members of the Emperor Group	<u>13,000</u>	<u>17,000</u>	<u>20,000</u>
Total	<u><u>1,193,000</u></u>	<u><u>1,212,000</u></u>	<u><u>1,232,000</u></u>

Historical transactions amounts under the 2015 Emperor Group FSA

Set out below are the historical transaction amounts under the 2015 Emperor Group FSA between the listed members of the Emperor Group and the Group for the Period:

	For the financial year ended 30 September		For the nine months ended 30 June
	2016	2017	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Commission, brokerage and fees and interest income from the listed members of the Emperor Group	176	57	28
(ii) Financial advisory fee from the listed members of the Emperor Group	1,380	1,580	1,797

During the Period, no margin loan, IPO loan or term loan was granted to any listed members of the Emperor Group. All the Emperor Group Previous Annual Caps under the 2015 Emperor Group FSA are not exceeded as at the date of this announcement and it is expected that the transaction amounts made up to 30 September 2018 will not exceed such caps.

Emperor Group Proposed Annual Caps

Set out below are the Emperor Group Proposed Annual Caps for the 2018 Emperor Group FSA:

	Emperor Group Proposed Annual Caps For the financial year ending 30 September		
	2019 <i>HK\$'000</i>	2020 <i>HK\$'000</i>	2021 <i>HK\$'000</i>
(i) Commission, brokerage and fees and interest income from the listed members of the Emperor Group	204,000	215,000	228,000
(ii) Maximum margin loan amount to the listed members of the Emperor Group	700,000	700,000	700,000
(iii) Maximum IPO loan amount to the listed members of the Emperor Group	70,000	70,000	70,000
(iv) Maximum term loan amount to the listed members of the Emperor Group	280,000	280,000	280,000
(v) Financial advisory fee from the listed members of the Emperor Group	<u>15,000</u>	<u>16,000</u>	<u>17,000</u>
Total	<u>1,269,000</u>	<u>1,281,000</u>	<u>1,295,000</u>

In determining the Emperor Group Proposed Annual Caps for the transactions contemplated under the 2018 Emperor Group FSA, the following principal factors have been taken into consideration:

- (i) Commission and interest income from the listed members of the Emperor Group
 - the Emperor Group Proposed Annual Caps under this category shall include (i) commission and brokerage fees on dealing in securities, futures and options contracts; (ii) commission income from asset management, insurance brokerage and wealth management; (iii) commission from acting as placing agent, underwriter or sub-

underwriter for the securities of the listed members of the Emperor Group; and (iv) interest income from financing;

- the Group has been acting as placing agents/underwriters for the listed members of the Emperor Group and the amount of commission income for placing, underwriting and sub-underwriting services for the three financial years ending 30 September 2021 is calculated based on (i) the assumed amount of fund to be raised by the listed members of the Emperor Group in view that there is an increase in number of listed members of the Emperor Group during the Period; and (ii) normal commission rate to be charged with reference to the market;
 - the expected interest income to be generated assuming the proposed maximum amount of margin loans and term loans will be advanced to the listed members of the Emperor Group for the three financial years ending 30 September 2021; and
 - the Emperor Group Proposed Annual Caps are calculated based on the following market rates:
 - (a) the normal market commission and brokerage fees on dealing in securities in Hong Kong range from approximately 0.1% to 0.25% of the transaction amount;
 - (b) management and performance fee from wealth and asset management will be charged at a percentage of the asset value and/or the appreciation of asset value with reference to the then prevailing market price and practice of the wealth and asset managers in the market; and
 - (c) the market interest rate for securities margin financing in Hong Kong ranges from approximately Prime Rate minus 0.5% to Prime Rate plus 5% per annum of the margin loan amount normally, whereas the interest rate for margin financing involving acquisition of a substantial interest in a listed company in Hong Kong and/or making a general offer to acquire issued shares of a listed company in Hong Kong under the Takeovers Code, the interest rate ranges from approximately 1% to 3% per month; for the IPO loan, the current market interest rate is approximately 2% per annum or below of the IPO loan amount and varies from case to case on each IPO; for the term loan, the current market interest rate ranges from approximately 9% to 39% per annum of the term loan amount normally.
- (ii) Maximum margin loan amount to the listed members of the Emperor Group
- the need for such cap amount for the Group to stay competitive. If the cap is not

sufficient and the Group is required to obtain approval from the Independent Shareholders before granting of the loans, the Group will not be able to meet the timing constraints of the investment decisions of its clients in a timely manner;

- the expected future funding needs of the listed members of Emperor Group for business expansion and capturing potential business opportunities, which includes the need for funding investments in other listed shares in Hong Kong or overseas (including margin loan financing for investment projects involve making general offers under the Takeovers Code) for the three financial years ending 30 September 2021; and
- despite there was no utilization of any margin loan during the Period, maintaining the existing cap amount will allow flexibility if certain corporate exercise arise for the listed members of Emperor Group.

(iii) IPO financing to the listed members of the Emperor Group

- the number of newly listed companies in the Stock Exchange has increased during the Period. It is expected that the IPO market will remain active in the forthcoming years, and the demand of IPO loan and potential IPO trading activities from the listed members of Emperor Group will remain stable for the three financial years ending 30 September 2021; and
- the existing cap amount for the Period will be sufficient for the financial year ending 30 September 2021 for the Emperor Group.

(iv) Maximum term loan amount to the listed members of the Emperor Group

- the expected funding needs of the listed members of Emperor Group for business expansion and capturing potential business opportunities, which includes the need for funding investments in private companies, properties or other assets for the three financial years ending 30 September 2021; and
- preparatory line to facilitate business development if the need for financing arises as the number of listed companies of Emperor Group has increased during the Period and their business expansions and diversifications are active and progressive.

(v) Financial advisory fee from the listed members of the Emperor Group

- the Group has been providing corporate financial advisory services to listed members of the Emperor Group, including providing advices on Listing Rules and/or Takeovers

Code on various fund raising activities and corporate exercises during the Period;

- the financial advisory fee would be received if the potential investment projects of the listed members of Emperor Group were materialized or completed during the Period;
- it is expected that the members of the Emperor Group will continue to engage the Group as financial advisor on project basis, particularly in complex transactions such as very substantial acquisitions, general offers and IPOs as well as annual retainer basis for the three financial years ending 30 September 2021; and
- the historical amount of advisory fee received from the listed members of the Emperor Group, taking into account that there is an increase in number of listed members of the Emperor Group and increase in annual retainer fee during the Period.

The utilization of the above caps in the future will depend on the then market condition and the investment decisions and strategy of each listed member of the Emperor Group. As there is no clear and regular investment pattern that can be derived with reference to the historical amounts, the Directors consider that the above caps may or may not be fully utilized in each of the financial years ending 30 September 2021.

REASONS FOR ENTERING INTO THE 2018 FSA

The Company is an investment holding and its subsidiaries are principally engaged in the provision of financial services in Hong Kong, including (i) commercial and personal lending as well as margin and IPO financing; (ii) brokerage, wealth management and asset management; (iii) placing and underwriting services for listed issuers; and (iv) corporate finance advisory services.

During the Period, the Company has completed a number of fund raising activities (including placing of bonds, placing and subscription of new Shares) and net proceeds of approximately HK\$3,429 million were raised. The Directors considered that the entering into of the 2018 FSA allows flexibility of the Group to continue to provide the financial services to the Yeung Family and the listed members of the Emperor Group. The Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps allow the Group to participate in the corporate exercise and/or the investment opportunities of its clients in a timely manner which is beneficial to the Group's revenue and such increase is in line with the development of the Group's business during these few years. The Directors (excluding the independent non-executive Directors who shall form their views in the letter from the Independent Board Committee to be set out in the circular) considered that the 2018 Yeung FSA and the 2018 Emperor Group FSA are on normal commercial terms, in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Ms. Daisy Yeung is the Executive Director and Managing Director of the Company. As such, the transactions contemplated under the 2018 Yeung FSA constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios (as defined in the Listing Rules) calculated with reference to the Yeung Proposed Annual Caps exceed 5% and the annual amount exceeds HK\$10 million, the 2018 Yeung FSA and the Yeung Proposed Annual Caps are subject to announcement, the Independent Shareholders' approval and reporting requirements under the Listing Rules.

The Company is owned as to approximately 42.68% by Emperor Capital Holdings, which is in turn wholly-owned by AY Holdings, a substantial shareholder of the Company. As such, members of the Emperor Group are connected persons of the Company under 14A of the Listing Rules.

As the applicable percentage ratios (as defined in the Listing Rules) calculated with reference to the Emperor Group Proposed Annual Caps exceed 5% and the annual amount exceeds HK\$10 million, the 2018 Emperor Group FSA and the Emperor Group Proposed Annual Caps are subject to announcement, the Independent Shareholders' approval and reporting requirements under the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors has been established to make recommendations to the Independent Shareholders in respect of the 2018 Yeung FSA, the Yeung Proposed Annual Caps, the 2018 Emperor Group FSA and the Emperor Group Proposed Annual Caps.

A circular containing, amongst others, the details of the 2018 Yeung FSA, the 2018 Emperor Group FSA, the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps, a letter of recommendation from the Independent Board Committee, a letter of advice from the independent financial adviser together with a notice convening the SGM will be dispatched to the Shareholders on or before 17 September 2018 in accordance with the requirements of the Listing Rules.

TERMS USED IN THIS ANNOUNCEMENT

“associate” has the meaning ascribed to it under the Listing Rules

“AY Holdings” Albert Yeung Holdings Limited, an investment holding company incorporated in the British Virgin Islands and is an indirect

	controlling shareholder (as defined under the Listing Rules) of the Company by virtue of its interests in the Shares through Emperor Capital Holdings
“Company”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Emperor Capital Holdings”	Emperor Capital Group Holdings Limited, a company wholly and directly owned by AY Holdings and is interested in 42.68% of the issued shares of the Company as at the date of this announcement.
“Emperor Group”	AY Holdings, its subsidiaries and associates as from time to time (which includes but not limited to Emperor International Holdings Limited, Emperor Watch & Jewellery Limited, Emperor Entertainment Hotel Limited, Emperor Culture Group Limited, Ulferts International Limited and their respective subsidiaries)
“Emperor Group Previous Annual Caps”	the previously obtained annual caps of the transactions contemplated under the 2015 Emperor Group FSA for each of the three financial years ended/ ending 30 September 2018
“Emperor Group Proposed Annual Caps”	the annual caps for the proposed transactions contemplated under the 2018 Emperor Group FSA for each of the three financial years ending 30 September 2021
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People Republic of China

“Independent Shareholders”	Shareholders other than Yeung Family, Emperor Group and their respective associates
“Independent Board Committee”	the independent committee of the Board formed to advise the Independent Shareholders in respect of the 2018 Yeung FSA, the Yeung Proposed Annual Caps, the 2018 Emperor Group FSA and the Emperor Group Proposed Annual Caps
“Independent Third Parties”	independent third parties who are not connected persons of the Company as defined in the Listing Rules and are independent of the Company and the connected persons of the Company
“IPO”	initial public offering
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Period”	two years ended 30 September 2017 and the nine months ended 30 June 2018
“Prime Rate”	prime rate as quoted by The Hongkong and Shanghai Banking Corporation Limited from time to time
“SGM”	the special general meeting of the Company to be convened to consider and approve, if thought fit, the 2018 Yeung FSA, the Yeung Proposed Annual Caps, the 2018 Emperor Group FSA and the Emperor Group Proposed Annual Caps
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers as amended from time to time issued by the Securities and Futures Commission of Hong Kong
“Yeung Family”	Ms. Daisy Yeung, an Executive Director and the Managing Director of the Company, and her associates, but excluding the

	listed members of the Emperor Group
“Yeung Previous Annual Caps”	the previously obtained annual caps of the transactions contemplated under the 2015 Yeung FSA for each of the three financial years ended/ ending 30 September 2018
“Yeung Proposed Annual Caps”	the annual caps for the proposed transactions contemplated under the 2018 Yeung FSA for each of the three financial years ending 30 September 2021
“2015 Emperor Group FSA”	an agreement dated 10 September 2015 entered into between the Company and AY Holdings in relation to the provision of financial services by the Group to the listed members of the Emperor Group
“2015 FSA”	2015 Yeung FSA and 2015 Emperor Group FSA
“2015 Yeung FSA”	an agreement dated 10 September 2015 entered into between the Company and Ms. Daisy Yeung in relation to the provision of financial services between the Group and the Yeung Family
“2018 Emperor Group FSA”	a new agreement dated 27 August 2018 entered into between the Company and AY Holdings in relation to the provision of financial services by the Group to the listed members of the Emperor Group
“2018 FSA”	2018 Yeung FSA and 2018 Emperor Group FSA
“2018 Yeung FSA”	a new agreement dated 27 August 2018 entered into between the Company and Ms. Daisy Yeung in relation to the provision of financial services between the Group and the Yeung Family
“%”	per cent

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

Hong Kong, 27 August 2018

As at the date of this announcement, 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. Chu Kar Wing
Mr. Poon Yan Wai
Ms. Wan Choi Ha