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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)

**GRANT OF SHARE OPTIONS  
AND  
PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME**

On 12 July 2013, the Board resolved to offer the grant of the Options to the Proposed Grantees pursuant to the Share Option Scheme to subscribe for up to an aggregate of 129,354,000 Shares, amongst which, the Options to subscribe for up to 54,546,000 Shares were granted to each of Ms. Daisy Yeung and Mr. Chan individually. The grant of Options to Ms. Daisy Yeung and Mr. Chan has been approved by the independent non-executive Directors subject to the approval by the Independent Shareholders and Shareholders respectively at the SGM.

In view of the aforesaid granting of Options, the Board proposes to the Shareholders for approving the amendment of certain terms of the Share Option Scheme at the SGM.

The Circular containing, amongst other things, (i) the letter from the Board containing further details of the grant of Options; (ii) details of the proposed amendment to certain terms of the Share Option Scheme; and (iii) the notice of SGM, will be despatched to the Shareholders on or before 26 July 2013 in accordance with the Listing Rules.

\* For identification purpose only

## **INTRODUCTION**

This announcement is made pursuant to Rule 17.06A of the Listing Rules.

On 12 July 2013, the Board resolved to offer the grant of the Options to the Proposed Grantees pursuant to the Share Option Scheme to subscribe for up to an aggregate of 129,354,000 Shares, amongst which, the Options to subscribe for up to 54,546,000 Shares were granted to each of Ms. Daisy Yeung and Mr. Chan individually. The grant of Options to Ms. Daisy Yeung and Mr. Chan has been approved by the independent non-executive Directors subject to the approval by the Independent Shareholders and shareholders respectively at the SGM.

In view of the aforesaid granting of Options, the Board proposes to the Shareholders for approving the amendment of certain terms of the Share Option Scheme at the SGM.

## **PROPOSED GRANT OF OPTIONS**

On 12 July 2013, the Board (consist of all independent non-executive Directors of the Company and all the Proposed Grantees. Each Proposed Grantee has abstained from voting at the board meeting of the Company on the relevant resolution(s) in relation to the offer of the Options granted to him/her) resolved to offer the grant of the Options to the Proposed Grantees to subscribe for an aggregate of 129,354,000 Shares, subject to (i) the proposed amendment to the relevant terms of the Share Option Scheme becoming effective and (ii) the acceptance of the offer by the Proposed Grantees. The grant of Options to Ms. Daisy Yeung and Mr. Chan is also subject to the approval by the Independent Shareholders and Shareholders respectively. The total of 129,354,000 Shares to be subscribed under the Options represent approximately 4.98% of the existing issued share capital of the Company as at the Offer Date and approximately 4.74% of the enlarged issued share capital of the Company, assuming the Options are fully exercised.

The principal terms of the Options offered to the Proposed Grantees are set out below:

<b>Offer Date:</b>	12 July 2013
<b>Exercise price of Options:</b>	HK\$0.334 per Share, being the highest of (i) HK\$0.33, the official closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the Offer Date; (ii) HK\$0.334, the average of the official closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the 5 Business Days immediately preceding the Offer Date and (iii) HK\$0.10, the nominal value of a Share.

**Number of Options to be granted:** 129,354,000 Share Options entitling the Proposed Grantees thereof to subscribe for an aggregate of 129,354,000 Shares.

**Amount payable on acceptance of the Options:** HK\$1.00 from each of the Proposed Grantees

**Closing price of the Shares on the Offer Date:** HK\$0.33

**Exercise period:** Subject to the fulfillment of the Performance Targets (as defined below), the Options granted shall be exercisable in three batches:

- (i) the first 25% of the Options granted to each of the Proposed Grantees shall become exercisable from the date immediate after the publication of the audited financial results of the Group for the year end of 30 September 2013 (or such other date as the Board may determine) to the date falling on the 5th anniversary of the Offer Date, i.e. 12 July 2018;
- (ii) another 33% of the Options granted to each of the Proposed Grantees shall become exercisable from the date falling on the publication of the audited financial results of the Group for the year end of 30 September 2014 (or such other date as the Board may determine) to the date falling on the 5th anniversary of the Offer Date, i.e. 12 July 2018; and
- (iii) the remaining 42% of the Options granted to each of the Proposed Grantees shall become exercisable from the date falling on the publication of the audited financial results of the Group for the year end of 30 September 2015 (or such other date as the Board may determine) to the date falling on the 5th anniversary of the Offer Date, i.e. 12 July 2018.

The Options granted and exercisable in each batch shall be rounded to the nearest trading board lot of the Shares.

**Performance Targets:**

The exercise of the Options is required to meet performance targets (“Performance Target”) of the Company as determined by the Board from time to time, taken into consideration factors such as the financial condition of the Company within a specific financial period, the then market conditions and contributions of the Proposed Grantees to the Group. The Company will notify the Purposed Grantees of the Performance Targets for each batch separately in writing.

Any Options not becoming vested as a result of non-fulfillment of any Performance Target shall automatically lapse.

Set out below are the names of the Proposed Grantees and the number of Shares to be issued to each of the Proposed Grantees upon full exercise of the Options conditionally granted to them:–

<b>Proposed Grantees</b>	<b>Position held with the Company</b>	<b>Number of Shares to be issued upon exercise of the Options in full</b>	<b>Approximate percentage to existing number of Shares in issue</b>
Ms. Daisy Yeung	Managing Director	54,546,000	2.10%
Mr. Chan	Executive Director	54,546,000	2.10%
Ms. Choi	Executive Director	12,468,000	0.48%
Ms. Chan	Executive Director	7,794,000	0.30%
		<u>129,354,000</u>	<u>4.98%</u>

According to Rule 17.04(1) of the Listing Rules and the Share Option Scheme, each grant of Share Options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors.

All independent non-executive Directors attended the Board meeting held on 12 July 2013 and all of them voted in favour of the resolutions approving grant of the Options to each of the Proposed Grantees, subject to the conditions as mentioned above.

Further, pursuant to Rule 17.04(1) of the Listing Rules and the terms of the Share Option Scheme, where a grant of Share Options to a substantial shareholder of the Company or an independent non-executive Director and/or their respective associates would result in the Shares issued and to be issued upon exercise of all the Share Options granted and to be granted (including options exercised, cancelled and outstanding Share Options) under the Share Option Scheme to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares on the date of grant, in excess of HK\$5 million, such grant of Share Options must be approved by the Independent Shareholders at a general meeting at which all connected persons of the Company shall abstain from voting in favour, although they may vote against the resolution to approve the grant of Share Options at such general meeting provided that their intention to do so has been stated in the relevant circular.

In addition, pursuant to Rule 17.03(4) of the Listing Rules and the terms of the Share Option Scheme, the maximum number of Shares issued and to be issued upon exercise of the Share Options granted to each grantee under the Share Option Scheme (including both exercised and outstanding Share Options) in any 12-month period shall not, when aggregated with any Shares subject to options granted under such period under any other share option schemes of the Company other than those options granted pursuant to specific approval by the Shareholders in a general meeting, exceed 1% of the Shares in issue for the time being. When any further grant of Shares Options to a grantee would result in the Shares issued and to be issued upon exercise of all Share Options granted and to be granted to such person (including exercised, cancelled and outstanding Share Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such grantee and his/her associates abstaining from voting, although they may vote against the resolution to approve the grant of Share Options at such general meeting provided that their intention to do so has been stated in the relevant circular.

As at the Offer Date, there were 2,597,433,816 Shares in issue, in which 1,720,824,907 Shares, representing approximately 66.25% of the issued share capital of the Company were held by Emperor Capital Group Holdings Limited, a wholly-owned subsidiary of Albert Yeung Holdings Limited. Albert Yeung Holdings Limited was held by STC International Limited, acting as the trustee of The Albert Yeung Discretionary Trust, a discretionary trust under which Ms. Daisy Yeung is one of the eligible beneficiaries and is deemed to be a substantial shareholder of the Company.

As the total number of Shares to be issued upon exercise of the Options offered to be granted to Ms. Daisy Yeung represents in aggregate over 0.1% of the Shares in issue and having an aggregate value in excess of HK\$5 million, based on the closing price of the Shares of HK\$0.33 on the Offer Date, pursuant to Rule 17.04(1) of the Listing Rules, the grant of Options to Ms. Daisy Yeung must be approved by the Independent Shareholders at the SGM at which all connected persons of the Company shall abstain from voting in favour. In addition, as the total number of Shares to be issued upon exercise of the Options granted to Ms. Daisy Yeung exceeds 1% of the Shares in issue, Ms. Daisy Yeung and her associates shall also abstain from voting on the relevant resolution in respect of the Options offered to be granted to her.

Moreover, as the total number of Shares to be issued upon exercise of the Options offered to be granted to Mr. Chan exceeds 1% of the Shares in issue, pursuant to Rule 17.03(4) of the Listing Rules, the grant of Options to Mr. Chan must be approved by Shareholders at the SGM with Mr. Chan and his associates abstaining from voting on the relevant resolution in respect of the Options offered to be granted to him.

Save for Ms. Daisy Yeung and Mr. Chan, none of the Proposed Grantees will, as a result of the grant of Options, be entitled to be issued with such number of Shares as represents over 1% of the Shares in issue upon exercise of all Share Options granted to him/her in the 12-month period up to and including the Offer Date.

## **PROPOSED AMENDMENT TO THE TERMS OF THE SHARE OPTION SCHEME**

### **Background**

The Share Option Scheme was adopted by the Company which became effective on 27 September 2007 pursuant to a resolution passed by the Shareholders on 20 September 2007. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

The Board proposed to amend certain terms of the Share Option Scheme. Pursuant to note (2) to Rule 17.03 of the Listing Rules, any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of Share Options granted must be approved by the Shareholders, unless where the alterations take effect automatically under the existing terms of the scheme. As the proposed amendment will not take effect automatically under the existing terms of the scheme, and it is considered to be material in nature, the proposed amendment to the terms of the Share Option Scheme will be subject to approval by the Shareholders of the Company at the SGM.

## **Proposed amendments**

Under the existing terms of the Share Option Scheme, the grantee of Share Options is not required to achieve any performance targets before the Share Options granted under the Share Option Scheme can be exercised.

To allow the Board to have more flexibility in the administration of the Share Option Scheme so that the benefits to the grantees under the Share Option Scheme are closely aligned with the performance of the Company and the purpose of the Share Option Scheme can be better achieved by providing additional incentives to key personnel to achieve performance goals, the Board proposes to amend the relevant terms of the Share Option Scheme as follows:

“The Board may determine in its absolute discretion whether the right to exercise an option is subject to or conditional upon the achievement of specified performance target(s) relating to the Company or to the grantee and/or the satisfaction of such other conditions as the Board may in its absolute discretion determine to be appropriate.”

The proposed amendments shall become effective on the date the Shareholders passing the resolution at the SGM.

As at the Offer Date, there are no outstanding Share Options granted under the Share Option Scheme.

## **GENERAL**

The Circular containing, amongst other things, (i) the letter from the Board containing further details of the grant of Options; (ii) details of the proposed amendment to certain terms of the Share Option Scheme; and (iii) the notice of SGM, will be despatched to the Shareholders on or before 26 July 2013 in accordance with the Listing Rules.

## **TERMS USED IN THIS ANNOUNCEMENT**

“associates”	has the same meaning as ascribed under the Listing Rules
“Board”	the board of Directors
“Company”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange

“connected person”	has the same meaning as ascribed under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders other than the connected persons of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chan”	Mr. Chan Shek Wah, an executive Director of the Company
“Ms. Chan”	Ms. Pearl Chan, an executive Director of the Company
“Ms. Choi”	Ms. Choi Suk Hing, Louisa, an executive Director of the Company
“Ms. Daisy Yeung”	Ms. Daisy Yeung, managing Director of the Company
“Offer Date”	12 July 2013, the date on which the Options are offered to the Proposed Grantees
“Option Share(s)”	the Share(s) which the Proposed Grantees are entitled to be issued upon the exercise of the Options, subject to the terms of the grant of the Options
“Option(s)”	the Share Options offered to be granted to the Proposed Grantees under the Share Option Scheme to subscribe for 129,354,000 Shares in aggregate
“Proposed Grantees”	collectively, Ms. Daisy Yeung, Mr. Chan, Ms. Choi and Ms. Chan

“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve the proposed amendment to the terms of the Share Option Scheme and grant of Options
“Share Option Scheme” or “Scheme”	the existing share option scheme of the Company adopted by the Company pursuant to an ordinary resolution passed by the Shareholders on 20 September 2007
“Share Option(s)”	share option(s) granted and to be granted under the Share Option Scheme
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars
“%”	per cent.

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

Hong Kong, 12 July 2013

*As at the date of this announcement, the board of Directors 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