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**英皇集團（國際）有限公司**  
**Emperor International Holdings Limited**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code : 163)**



**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 TRANSACTION**

The boards of directors of Emperor International and Emperor Capital Group announce that on 20 December 2012, Headwise as landlord entered into the Tenancy Agreement with Profit Broad as tenant in relation to the tenancy of the Property.

Headwise is an indirect wholly-owned subsidiary of Emperor International. Profit Broad is an indirect wholly-owned subsidiary of Emperor Capital Group. Emperor International and Emperor Capital Group are indirectly owned as to 74.93% and 64.11% respectively by the AY Trust, a discretionary trust set up by Dr. Albert Yeung. As such, Profit Broad is a connected person of Emperor International and Headwise is a connected person of Emperor Capital Group under Chapter 14A of the Listing Rules. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for both of Emperor International and Emperor Capital Group.

As the applicable percentage ratios on an annual basis calculated with reference to the Aggregate Annual Caps of both Emperor International and Emperor Capital Group are more than 0.1% but less than 5%, under Rule 14A.34 of the Listing Rules, the Tenancy Agreement is 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 to 14A.40 and the requirements set out in Rules 14A.35 (1) and 14A.35 (2) but is exempted from the approval of the respective independent shareholders of both Emperor International and Emperor Capital Group.

The boards of directors of Emperor International and Emperor Capital Group announce that on 20 December 2012, Headwise as landlord entered into the Tenancy Agreement with Profit Broad as tenant in relation to the tenancy of the Property.

### **TENANCY AGREEMENT DATED 20 DECEMBER 2012**

Landlord: Headwise

Tenant: Profit Broad

*\* for identification purposes only*

Property:	Unit 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 2,230 sq. ft.
Usage:	for office
Term:	2 years from 1 January 2013 to 31 December 2014 (both days inclusive)
Rent free period:	1.5 month from 1 January 2013 to 14 February 2013 (both days inclusive)
Rent:	HK\$57,500.00 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance
Effective Rent:	HK\$53,906.25 per month
Deposit:	HK\$218,283.00 which is equivalent to three months' rent, three months' management fee and rates

**AGGREGATE ANNUAL CAP OF THE TENANCY AGREEMENT, THE FIRST PREVIOUS TENANCY AGREEMENT, THE SECOND PREVIOUS TENANCY AGREEMENT, THE THIRD PREVIOUS TENANCY AGREEMENT AND THE FOURTH PREVIOUS TENANCY AGREEMENT**

The Aggregate Annual Cap of Emperor International for the Tenancy Agreement, the First Previous Tenancy Agreement, the Second Previous Tenancy Agreement, the Third Previous Tenancy Agreement and the Fourth Previous Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental received/receivable thereunder for each of the years ending 31 March 2013, 2014 and 2015 will be as follows:

	<b>2013</b> <i>HK\$</i>	<b>2014</b> <i>HK\$</i>	<b>2015</b> <i>HK\$</i>
Tenancy Agreement	162,000	647,000	486,000
First Previous Tenancy Agreement	216,000	98,400	-
Second Previous Tenancy Agreement	614,000 <small>(Note 1)</small>	203,000 <small>(Note 2)</small>	-
Third Previous Tenancy Agreement	386,000	176,000	-
Fourth Previous Tenancy Agreement	3,080,000	3,080,000	-
Total	<u>4,458,000</u>	<u>4,204,400</u>	<u>486,000</u>

*Notes*

- (1) The Second Previous Tenancy Agreement entered into between Headwise and Profit Broad in respect of Unit 1605, 16/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong being part of the Second Previous Property was early terminated on 17 November 2012. The sum includes the effective rental of HK\$170,000 received in respect of the forementioned property for the period from 1 April 2012 to 16 November 2012. The balance of HK\$444,000 effective rental received was for Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong being the remaining portion of the Second Previous Property.*
- (2) The sum is the effective rental receivable in respect of Unit 2006 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong for the period from 1 April 2013 to 14 September 2013.*

The Aggregate Annual Cap of Emperor Capital Group for the Tenancy Agreement, the First Previous Tenancy Agreement, the Second Previous Tenancy Agreement, the Third Previous Tenancy Agreement and the Fourth Previous Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental paid/payable thereunder for each of the years ending 30 September 2013, 2014 and 2015 will be as follows:

	<b>2013</b>	<b>2014</b>	<b>2015</b>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Tenancy Agreement	486,000	647,000	162,000
First Previous Tenancy Agreement	207,000	-	-
Second Previous Tenancy Agreement	459,000 <small>(Note)</small>	-	-
Third Previous Tenancy Agreement	369,000	-	-
Fourth Previous Tenancy Agreement	3,080,000	1,540,000	-
Total	<u>4,601,000</u>	<u>2,187,000</u>	<u>162,000</u>

*Note*

*The Second Previous Tenancy Agreement entered into between Headwise and Profit Broad in respect of Unit 1605, 16/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong being part of the Second Previous Property was early terminated on 17 November 2012. The sum includes the effective rental of HK\$35,000 paid in respect of the fore mentioned property for the period from 1 October 2012 to 16 November 2012. The balance of HK\$424,000 effective rental paid was for Unit 2006, 20/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong being the remaining portion of the Second Previous Property.*

## **REASONS AND BENEFITS FOR THE TENANCY AGREEMENT**

Emperor International is an investment holding company and its subsidiaries are principally engaged in property development and investment, and hotel operation. The Property is held by Emperor International as investment property for rental income.

Emperor Capital Group 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 terms of the Tenancy Agreement are arrived at after arm's length negotiation and are on normal commercial terms. The rental of the Tenancy Agreement was determined with reference to the prevailing market rent of similar property in the nearby locations. The directors of both Emperor International and Emperor Capital Group (including the respective independent non-executive directors) consider that the Tenancy Agreement is on normal commercial terms, in the normal course of business, fair and reasonable and in the interests of both Emperor International and Emperor Capital Group and their respective shareholders as a whole. Ms. Luk Siu Man, Semon, the Chairperson of Emperor International, and Ms. Daisy Yeung, the Managing Director of Emperor Capital Group, did abstain from voting at the respective board meetings of Emperor International and Emperor Capital Group in view of their deemed interests in the transactions by virtue of being the spouse of Dr. Albert Yeung, a deemed substantial shareholder of the Emperor International and Emperor Capital Group and being one of the eligible

beneficiaries of the AY Trust respectively.

## **GENERAL**

Headwise is an indirect wholly-owned subsidiary of Emperor International and principally engaged in property investment. Profit Broad is an indirect wholly-owned subsidiary of Emperor Capital Group and principally engaged in the provision of group tenancy agent services for Emperor Capital Group and its subsidiaries.

Emperor International and Emperor Capital Group are indirectly owned as to 74.93% and 64.11% respectively by the AY Trust, a discretionary trust set up by Dr. Albert Yeung. As such, Profit Broad is a connected person of Emperor International and Headwise is a connected person of Emperor Capital Group under Chapter 14A of the Listing Rules. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for both of Emperor International and Emperor Capital Group.

As the applicable percentage ratios on an annual basis calculated with reference to the Aggregate Annual Caps of both Emperor International and Emperor Capital Group are more than 0.1% but less than 5%, under Rule 14A.34 of the Listing Rules, the Tenancy Agreement is 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 to 14A.40 and the requirements set out in Rules 14A.35(1) to 14A.35 (2) but is exempted from the approval of the respective independent shareholders of both Emperor International and Emperor Capital Group.

## **TERMS USED IN THIS ANNOUNCEMENT**

"Active Pace"	Active Pace Investment 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
"Aggregate Annual Cap of Emperor International"	the maximum amount of effective rental receivable under the Tenancy Agreement, the First Previous Tenancy Agreement, the Second Previous Tenancy Agreement, the Third Previous Tenancy Agreement and the Fourth Previous Tenancy Agreement based on the total annual effective rental received/receivable thereunder for each of the years ending 31 March 2013, 2014 and 2015
"Aggregate Annual Cap of Emperor Capital Group"	the maximum amount of effective rental payable under the Tenancy Agreement, the First Previous Tenancy Agreement, the Second Previous Tenancy Agreement, the Third Previous Tenancy Agreement and the Fourth Previous Tenancy Agreement based on the total annual effective rental paid/payable thereunder for each of the years ending 30 September 2013, 2014 and 2015

“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Albert Yeung
“Dr. Albert Yeung”	Dr. Yeung Sau Shing, Albert
“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
“Emperor Capital Group”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“ First 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 Tenancy Agreement”	A tenancy agreement dated 31 August 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the First Previous Property for the period 15 October 2011 to 14 September 2013 (both days inclusive), details were set out in the joint announcement of Emperor International and Emperor Capital Group dated 31 August 2011
“Fourth Previous Property”	24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft.
“Fourth 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 Fourth 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 Emperor Capital Group dated 28 February 2011
“Headwise”	Headwise Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor International
“HK\$”	Hong Kong dollars

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Profit Broad”	Profit Broad Development Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Emperor Capital Group
“Property”	Unit 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 2,230 sq. ft.
“Second 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
“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 15 September 2011 to 14 September 2013 (both days inclusive), details were set out in the joint announcement of Emperor International and Emperor Capital Group dated 31 August 2011
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	A tenancy agreement dated 20 December 2012 entered into between Headwise and Profit Broad in relation to the tenancy of the Property
“Third 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 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 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 Emperor Capital Group dated 31 August 2011

“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 is principally engaged in property investment

“%”

per cent

By order of the board  
**Emperor International Holdings Limited**  
**Luk Siu Man Semon**  
*Chairperson*

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

Hong Kong, 20 December 2012

As at the date hereof, the board of directors of Emperor International comprises:

*Non-executive Director :* Ms. Luk Siu Man, Semon

*Executive Directors:* Mr. Wong Chi Fai  
Ms. Fan Man Seung, Vanessa  
Mr. Cheung Ping Keung

*Independent Non-executive Directors:* Mr. Chan Man Hon, Eric  
Mr. Liu Hing Hung  
Ms. Cheng Ka Yu

As at the date hereof, the board of directors of Emperor Capital Group 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