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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 TRANSACTIONS

The boards of directors of EIHL and ECG announce that on 28 February 2011, Headwise entered into the First Tenancy Agreement with Profit Broad in relation to the tenancy of the First Property and Very Sound entered into the Second Tenancy Agreement with Profit Broad in relation to the tenancy of the Second Property.

Headwise and Very Sound are indirect wholly-owned subsidiaries of EIHL. Profit Broad is an indirect wholly-owned subsidiary of ECG. EIHL and ECG are indirectly owned as to 71.23% and 47.90% respectively by the AY Trust, a discretionary trust set up by Dr. Albert Yeung, a deemed substantial shareholder of EIHL and ECG. As such, Profit Broad is a connected person of EIHL and Headwise and Very Sound are the connected persons of ECG under Chapter 14A of the Listing Rules. Accordingly, the First Tenancy Agreement and the Second Tenancy Agreement constitute the continuing connected transactions for both of EIHL and ECG.

As the applicable percentage ratios calculated with reference to the Aggregate Annual Cap of both EIHL and ECG is more than 0.1% but less than 5% under Rule 14A.34 of the Listing Rules, the First Tenancy Agreement and the Second Tenancy Agreement and the Aggregate Annual Cap of both EIHL and ECG are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but exempt from the approval of independent shareholders in accordance with Rule 14A.34 of the Listing Rules.

The boards of directors of EIHL and ECG announce that on 28 February 2011, Headwise entered into the First Tenancy Agreement with Profit Broad in relation to the tenancy of the First Property and Very Sound entered into the Second Tenancy Agreement with Profit Broad in relation to the tenancy of the Second Property.

FIRST TENANCY AGREEMENT DATED 28 FEBRUARY 2011

Landlord: Headwise

Tenant: Profit Broad

Premises: Unit 1702, 17/F., Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 989 sq. ft.

Usage: for office

Term: from 1 March 2011 to 28 February 2013 (both days inclusive)

Rent: HK\$24,000 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Deposit: HK\$87,406.60 which is equivalent to three months' rent, management fee and rates

SECOND TENANCY AGREEMENT DATED 28 FEBRUARY 2011

Landlord: Very Sound

Tenant: Profit Broad

Premises: 24/F., Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft.

Usage: for office

Term: from 1 April 2011 to 31 March 2014 (both days inclusive)

Rent: HK\$280,000 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Rent free period: three months to be designated in the following periods:

- (i) 1 April 2011 to 31 May 2011
- (ii) 1 March 2014 to 31 March 2014

Effective Rental: HK\$256,666.67 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Deposit: HK\$985,233.50 which is equivalent to three months' rent, management fee and rates

AGGREGATE ANNUAL CAP OF THE FIRST TENANCY AGREEMENT AND THE SECOND TENANCY AGREEMENT

The Aggregate Annual Cap of EIHL for the First Tenancy Agreement and the Second Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental receivable under the First Tenancy Agreement and the Second Tenancy Agreement for each of the years ending 31 March 2011, 2012, 2013 and 2014 will be as follows:

	2011 <i>HK\$</i>	2012 <i>HK\$</i>	2013 <i>HK\$</i>	2014 <i>HK\$</i>
First Tenancy Agreement	24,000	288,000	264,000	–
Second Tenancy Agreement	–	3,080,000	3,080,000	3,080,000
	<u>24,000</u>	<u>3,368,000</u>	<u>3,344,000</u>	<u>3,080,000</u>
Total	<u>24,000</u>	<u>3,368,000</u>	<u>3,344,000</u>	<u>3,080,000</u>

The Aggregate Annual Cap of ECG for the First Tenancy Agreement and the Second Tenancy Agreement (which are aggregated under Rule 14A.25 of the Listing Rules) based on the total annual effective rental payable under the First Tenancy Agreement and the Second Tenancy Agreement for each of the years ending 30 September 2011, 2012, 2013 and 2014 will be as follows:

	2011 <i>HK\$</i>	2012 <i>HK\$</i>	2013 <i>HK\$</i>	2014 <i>HK\$</i>
First Tenancy Agreement	168,000	288,000	120,000	–
Second Tenancy Agreement	1,540,000	3,080,000	3,080,000	1,540,000
	<u>1,708,000</u>	<u>3,368,000</u>	<u>3,200,000</u>	<u>1,540,000</u>
Total	<u>1,708,000</u>	<u>3,368,000</u>	<u>3,200,000</u>	<u>1,540,000</u>

REASONS AND BENEFITS FOR THE FIRST TENANCY AGREEMENT AND THE SECOND TENANCY AGREEMENT

EIHL is an investment holding company and its subsidiaries are principally engaged in property development and investment, and hotel operation. The First Property and the Second Property are held by EIHL as investment properties for rental income.

ECG 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, (ii) providing margin and IPO financing as well as loans and advances to its clients, and (iii) corporate finance advisory and wealth management services. The First Property and the Second Property will be used by ECG for head office and branch operation respectively.

The terms of the First Tenancy Agreement and the Second Tenancy Agreement are arrived at after arm's length negotiation and are on normal commercial terms. The rentals of the First Tenancy Agreement and the Second Tenancy Agreement were determined with reference to the prevailing market rent of similar properties in the nearby locations. The directors of both EIHL and ECG (including the respective independent non-executive directors but excluding Ms. Luk Siu Man, Semon, a non-executive director and the Chairperson of EIHL, and Ms. Daisy Yeung, the Managing Director of ECG, who had to and did abstain from voting at the respective board meeting held on 28 February 2011 in view of their material interests in the transaction by virtue of being the spouse of Dr. Albert Yeung and being one of the eligible beneficiaries of the AY Trust respectively) consider that the First Tenancy Agreement and the Second Tenancy Agreement are on normal commercial terms, in the normal course of business, fair and reasonable and in the interests both of EIHL and ECG and their respective shareholders as a whole.

GENERAL

Headwise and Very Sound are indirect wholly-owned subsidiaries of EIHL and principally engaged in property investment. Profit Broad is an indirect wholly-owned subsidiary of ECG and principally engaged in the provision of tenancy agreement signing services for ECG and its subsidiaries.

EIHL and ECG are indirectly owned as to 71.23% and 47.90% respectively by the AY Trust, a discretionary trust set up by Dr. Albert Yeung, a deemed substantial shareholder of EIHL and ECG. As such, Profit Broad is a connected person of EIHL and Headwise and Very Sound are the connected persons of ECG under Chapter 14A of the Listing Rules. Accordingly, the First Tenancy Agreement and the Second Tenancy Agreement constitute the continuing connected transactions for both of EIHL and ECG.

As the applicable percentage ratios calculated with reference to the Aggregate Annual Cap of both EIHL and ECG is more than 0.1% but less than 5% under Rule 14A.34 of the Listing Rules, the First Tenancy Agreement and the Second Tenancy Agreement and the Aggregate Annual Cap of both EIHL and ECG are subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules but exempt from the approval of independent shareholders in accordance with Rule 14A.34 of the Listing Rules.

TERMS USED IN THIS ANNOUNCEMENT

“Aggregate Annual Cap of EIHL”	the maximum amount of effective rental receivable under the First Tenancy Agreement and Second Tenancy Agreement, based on the total annual effective rental receivable under the First Tenancy Agreement and Second Tenancy Agreement for each of the years ending 31 March 2011, 2012, 2013 and 2014
“Aggregate Annual Cap of ECG”	the maximum amount of effective rental payable under the First Tenancy Agreement and Second Tenancy Agreement, based on the total annual effective rental payable under the First Tenancy Agreement and Second Tenancy Agreement for each of the years ending 30 September 2011, 2012, 2013 and 2014
“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Albert Yeung
“Dr. Albert Yeung”	Dr. Yeung Sau Shing, Albert
“EIHL”	Emperor International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“ECG”	Emperor Capital Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“First Property”	Unit 1702, 17/F., Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 989 sq. ft.
“First Tenancy Agreement”	a tenancy agreement dated 28 February 2011 entered into between Headwise and Profit Broad in relation to the tenancy of the First Property
“Headwise”	Headwise Investment Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of EIHL and principally engaged in property investment

“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 and an indirect wholly-owned subsidiary of ECG and principally engaged in the provision of tenancy agreement signing services to ECG and its subsidiaries
“Second Property”	24/F., Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft.
“Second Tenancy Agreement”	a tenancy agreement dated 28 February 2011 entered into between Very Sound and Profit Broad in relation to the renewal of tenancy of the Second Property
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Very Sound”	Very Sound Investments Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of EIHL and principally engaged in property investment
“HK\$”	Hong Kong dollars
“sq. ft.”	square feet
“%”	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, 28 February 2011

As at the date hereof, the board of directors of EIHL comprised:

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

Executive Directors: Mr. Wong Chi Fai (*Managing Director*)
Ms. Fan Man Seung, Vanessa
(*Managing Director*)
Mr. Cheung Ping Keung
Ms. Mok Fung Lin, Ivy

Independent Non-executive Directors: Mr. Chan Man Hon, Eric
Mr. Liu Hing Hung
Mr. Law Ka Ming, Michael

As at the date hereof, the board of directors of ECG comprised:

Executive Directors: Ms. Daisy Yeung (*Managing Director*)
Ms. Choi Suk Hing, Louisa

Independent Non-Executive Directors: Mr. Kwok Chi Sun, Vincent
Mr. Cheng Wing Keung, Raymond
Mr. Chu Kar Wing

* *for identification purposes only*