
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Emperor Capital Group Limited (the “Company”), you should at once hand the Prospectus Documents to the purchaser or transferee or to the bank or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to under the section headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of the Prospectus Documents.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



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

RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE

Financial advisor to the Company



英皇融資有限公司
Emperor Capital Limited

Underwriter

Emperor Capital Group Holdings Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this Prospectus.

It should be noted that the Shares have been dealt in on an ex-rights basis from Thursday, 30 April 2015. Dealings in the Rights Shares in the nil-paid form will take place from Monday, 11 May 2015 to Monday, 18 May 2015 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable) at or before 4:00 p.m. on Wednesday, 27 May 2015 (or such later time as the Company and the Underwriter may agree in writing), or if the Underwriter terminates the Underwriting Agreement in accordance with the terms thereof (a summary of which is set out in the section headed “Termination of the Underwriting Agreement” of this Prospectus) prior to the Latest Time for Termination, the Rights Issue will not proceed. Any persons contemplating dealing in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable) or the date on which the Underwriter’s right of termination of the Underwriting Agreement ceases, and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed. **Any Shareholders or other persons contemplating dealing in the Shares and/or the nil-paid Rights Shares are recommended to consult their own professional advisers.**

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward the Prospectus Documents to any jurisdiction outside Hong Kong should read the details in this regard which are contained in the paragraph headed “Rights of Overseas Shareholders” in this Prospectus before taking any action. It is the responsibility of each person who wishes to accept the Rights Shares to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities or legal requirements and the payment of any transfer or other taxes due by such person accepting the Rights Shares in respect of such jurisdiction. Acceptances of the Rights Shares by any such person will constitute a warranty by such person that such person is permitted under all applicable laws to receive and accept the Rights Shares, and such acceptance shall be valid and binding in accordance with all applicable laws.

The Latest Time for Acceptance of the Rights Shares is 4:00 p.m. on Thursday, 21 May 2015. The procedures for acceptance and payment or transfer of the Rights Shares and application for excess Rights Shares are set out on pages 11 to 15 of this Prospectus.

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TERMINATION OF THE UNDERWRITING AGREEMENT

If, prior to the Latest Time for Termination,

- (A) one or more of the following events or matters shall occur, arise, exist, or come into effect:
- (i) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever after the signing of the Underwriting Agreement; or
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing the Underwriting Agreement), of a political, financial, economic currency, market or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets; or
 - (iii) any material adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of any member of the Group; or
 - (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement; or
 - (v) after signing of the Underwriting Agreement, there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in securities generally or the Company's securities on the Stock Exchange due to exceptional financial circumstances or otherwise;

which event or events is or are in the absolute opinion of the Underwriter:

- (a) likely to have a material adverse effect on the business or financial or trading position or prospects of the Group as a whole; or
- (b) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares taken up; or
- (c) make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (B) any breach of any of the warranties or undertakings or any omission to observe any of the obligations or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (C) any Specified Event comes to the knowledge of the Underwriter,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Upon giving of notice pursuant to the Underwriting Agreement, all obligations of the Underwriter and the Company under the Underwriting Agreement shall cease and determine (without prejudice to the rights of any party in respect of antecedent breach) provided that the Company shall remain liable to pay to the Underwriter such fees and expenses (other than the underwriting commission) payable by the Company pursuant to the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

EXPECTED TIMETABLE

The expected timetable for the Rights Issue is set out below:

2015

(Hong Kong time)

First day of dealings in nil-paid Rights Shares	Monday, 11 May
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Wednesday, 13 May
Last day of dealings in nil-paid Rights Shares.....	Monday, 18 May
Latest time for acceptance of and payment for Rights Shares and application and payment for excess Rights Shares	4:00 p.m. on Thursday, 21 May
Latest time for the termination of the Underwriting Agreement	4:00 p.m. on Wednesday, 27 May
Announcement of results of acceptance and excess application of the Rights Issue	Thursday, 28 May
Refund cheques in respect of wholly and partially unsuccessful applications for excess Rights Shares expected to be posted	on or before Friday, 29 May
Certificates for fully-paid Rights Shares expected to be despatched.....	on or before Friday, 29 May
Placing expected to be completed.....	Friday, 29 May
Dealings in fully-paid Rights Shares and Placing Shares commence	9:00 a.m. on Monday, 1 June
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of Shares	9:00 a.m. on Monday, 1 June
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of Shares	4:00 p.m. on Friday, 19 June

All times and dates in this Prospectus refer to Hong Kong local time and dates. Dates or deadline specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE

If there is:

- a tropical cyclone warning signal number 8 or above; or
- a “black” rainstorm warning
 - (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Thursday, 21 May 2015, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
 - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Thursday, 21 May 2015, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance is extended, the dates mentioned in the section headed “Expected Timetable” in this Prospectus may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as possible.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following expressions have the following meanings:

Announcement	the announcement dated 26 March 2015 issued by the Company in relation to the Rights Issue and the Placing
“AY Holdings”	Albert Yeung Holdings Limited
“AY Trust”	The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Yeung Sau Shing, Albert, and of which Ms. Daisy Yeung (the Managing Director of the Company) is one of the eligible beneficiaries
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturdays and Sundays and any day on which a tropical cyclone warning signal No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Emperor Capital Group Limited, an exempted company incorporated in Bermuda with limited liability, the securities of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such usual form as may be agreed between the Company and the Underwriter

DEFINITIONS

“Emperor Capital Holdings” or “Underwriter”	Emperor Capital Group Holdings Limited, being the controlling shareholder of the Company, a company indirectly owned by AY Trust
“Emperor EH Holdings”	Emperor Entertainment Hotel Holdings Limited
“Emperor Group”	AY Holdings, its subsidiaries and associates
“Emperor International Group Holdings”	Emperor International Group Holdings Limited
“Emperor W&J Holdings”	Emperor Watch & Jewellery Group Holdings Limited
“Emperor Securities”	Emperor Securities Limited, a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO and an indirect wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third parties independent of and not connected (as defined under the Listing Rules) with the Company and connected person(s) of the Company
“Irrevocable Undertaking”	the irrevocable undertaking dated 26 March 2015 given by Emperor Capital Holdings in favour of the Company
“Latest Practicable Date”	5 May 2015, being latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained in this Prospectus
“Last Trading Day”	26 March 2015, being the last trading day of the Shares on Stock Exchange before the release of the Announcement
“Latest Time for Acceptance”	4:00 p.m. on 21 May 2015 or such other time as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the offer of and payment for the Rights Shares

DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on 27 May 2015, being the third Business Day after (but excluding) the Latest Time for Acceptance, or such other time as may be agreed between the Company and the Underwriter
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	those Overseas Shareholders whom the Directors, based on legal advice provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Outstanding Share Options”	the outstanding share options to subscribe for an aggregate of 97,008,000 Shares under the Share Option Scheme, which would not be exercisable on or before the Record Date
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) issued to the Qualifying Shareholders in connection with the Rights Issue
“Placing”	the placing of a maximum of 1,300,000,000 Placing Shares by the Placing Agents on the terms and subject to the conditions set out in the Underwriting and Placing Agreement
“Placee(s)”	any independent professional, institutional, and/or individual investors who are not connected with any directors, chief executive or substantial shareholder(s) (if any) of the Company or their respective associates
“Placing Agents”	RaffAello Securities and Emperor Securities
“Placing Price”	HK\$0.50 per Placing Share
“Placing Share(s)”	a maximum number of 1,300,000,000 new Shares to be placed pursuant to the Underwriting and Placing Agreement

DEFINITIONS

“Posting Date”	7 May 2015 or such other date as the Underwriter may agree in writing with the Company, being the date of despatch of the Prospectus Documents
“Prospectus”	this prospectus containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, PAL and EAF
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“RaffAello Securities”	RaffAello Securities (HK) Limited, a corporation licensed to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Record Date”	6 May 2015, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue is determined (or such other date as the Underwriter may agree in writing with the Company)
“Registrar”	Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the branch share registrar of the Company in Hong Kong
“Rights Issue”	the issue by way of rights of one (1) Rights Share for every two (2) existing Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	1,315,981,908 Shares to be issued and allotted under the Rights Issue
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company held on Wednesday, 6 May 2015 approving the Underwriting and Placing Agreement and any transaction contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	the holder(s) of issued Shares
“Share Options”	the share options to subscribe for Shares under the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company adopted pursuant to the ordinary resolution passed by the Shareholders on 20 September 2007 which became effective on 27 September 2007 (as amended on 13 August 2013)
“sq. ft.”	square feet
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which render any of the warranties contained in the Underwriting Agreement untrue, incorrect or misleading
“STC International”	STC International Limited, being the trustee of the AY Trust
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.50 per Rights Share
“Underwriting Agreement”	the underwriting agreement dated 26 March 2015 entered into between Emperor Capital Holdings and the Company in relation to the underwriting arrangement in respect of the Rights Issue
“Underwriting and Placing Agreement”	the underwriting and placing agreement entered into between the Company and the Placing Agents on 26 March 2015 in respect of the Placing
“Underwritten Placing Shares”	400,000,000 Placing Shares to be placed by RaffAello Securities on an underwritten basis on the terms and subject to the conditions set out in the Underwriting and Placing Agreement
“Underwritten Shares”	429,223,455 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“%”	per cent

LETTER FROM THE BOARD



英皇證券集團有限公司*
Emperor Capital Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 717)

Executive Directors:

Ms. Daisy Yeung (*Managing Director*)
Mr. Chan Shek Wah
Ms. Choi Suk Hing, Louisa
Ms. Pearl Chan

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-Executive Directors:

Mr. Chu Kar Wing
Mr. Poon Yan Wai
Mr. Tse Hin Lin, Arnold

Principal office:

24th Floor
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

7 May 2015

To the Qualifying Shareholders, and, for information purpose only, the Non-Qualifying Shareholders,

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE
FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

On 26 March 2015, the Board announced, among other matters, that the Company proposed to raise approximately HK\$658.0 million before expenses, by way of the Rights Issue of 1,315,981,908 Rights Shares at the subscription of HK\$0.50 per Rights Share held on the Record Date.

In the Announcement, the Company also announced the proposed placing of a maximum number of 1,300,000,000 Placing Shares, as to 400,000,000 Placing Shares by RaffAello Securities on an underwritten basis and the balance by both Placing Agents on a best effort basis. The Placing Price for the Placing Shares is HK\$0.50 per Placing Share. The Rights Issue is not inter-conditional with the Placing. If the Placing has become unconditional, dealings in the fully paid Rights Shares and the Placing Shares shall commence on the same day, i.e., the next Business Day after completion date of the Placing.

* *for identification purposes only*

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with further details regarding the Rights Issue, including the procedure for acceptance of the Rights Shares, together with the financial and other information in respect of the Group.

THE RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every two (2) existing Shares held on the Record Date
Subscription Price	:	HK\$0.50 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	2,631,963,816 Shares
Number of Rights Shares	:	1,315,981,908 Rights Shares (assuming no further Shares will be issued on or before the Record Date)
Number of issued Shares upon completion of the Rights Issue	:	3,947,945,724 Shares
Amount to be raised	:	Approximately HK\$658.0 million before expenses
Right of excess applications	:	Qualifying Shareholders may apply for Rights Shares in excess of their provisional allotment

As at the Latest Practicable Date, there are Outstanding Share Options entitling the holders thereof to subscribe for a total of 97,008,000 Shares at exercise price of HK\$0.334 per Share (subject to adjustments). Subject to the fulfillment of the pre-determined vesting conditions, such Outstanding Share Options will be exercisable during the period from the date immediately after publication of the audited financial results of the Group for the year ended 30 September 2015 to 12 July 2018. As such, none of the Outstanding Share Options are exercisable on or before the Record Date.

Save for the Outstanding Share Options, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

LETTER FROM THE BOARD

Assuming no Share Options will be granted and exercised, and no Shares will be issued on or before the Record Date, the 1,315,981,908 nil-paid Rights Shares represent 50% of the Company's issued share capital as at the Latest Practicable Date and will represent approximately 33.33% of the Company's issued share capital as enlarged by the Rights Issue.

As at the Latest Practicable Date, none of the capital of any members of the Group is under option, or agreed conditionally or unconditionally to be put under option.

Qualifying Shareholder

To qualify for the Rights Issue, a Shareholder must:

1. be registered as a member of the Company at the close of business on the Record Date; and
2. be a Qualifying Shareholder.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

As at the Record Date, the Company had 8 Shareholders whose addresses as shown on the register of members of the Company were located outside Hong Kong, namely Australia, Singapore, Macau and United Kingdom.

In accordance with Rule 13.36(2)(a) of the Listing Rules, the Company has made enquiries with the Company's overseas legal advisers regarding the feasibility of extending the offer of the Rights Shares to the Overseas Shareholders.

Based on the advice provided by the legal advisers of the Company on the laws of Singapore, Macau and United Kingdom, it would be lawful for the Company to offer the Rights Shares to those Shareholders with registered address in Singapore, Macau and United Kingdom, even though the Prospectus Documents will not be registered in such places. Therefore, the Directors have decided to extend the Rights Issue to such Overseas Shareholders with registered addresses located in Singapore, Macau and United Kingdom as shown on the register of members of the Company on the Record Date.

LETTER FROM THE BOARD

However it should be noted that in respect of the offer to Overseas Shareholders with registered addresses located in Singapore, the offer of the Rights Shares by the Company is made only to and directed at, and the Rights Shares are only available to, persons in Singapore who are existing holders of the Shares as at the Record Date. The Prospectus Documents have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Prospectus Documents and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Rights Shares may not be circulated or distributed, nor may the Rights Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) existing holders of the Shares or (ii) pursuant to, and in accordance with, the conditions of an exemption under Section 274 or Section 275, or where applicable, Section 276 of the Securities and Futures Act, Chapter 289 of Singapore.

Based on the advice provided by the legal advisers of the Company on the laws of Australia, the Company is prohibited from offering securities to persons in Australia unless a prospectus prepared in accordance with Australia's *Corporations Act* (Cth) 2001 has been lodged with the Australian Securities and Investment Commission ("ASIC"), or unless an exemption applies. An exemption may be available for a foreign rights issue, but the Company must meet additional ASIC lodgement requirements. Given there are only two Overseas Shareholders with registered address in Australia in aggregate holding 1,666 Shares, taking into account the time and costs involved in complying with the legal requirements of Australia, the Board considers it not expedient to extend the offer of Rights Shares to such Overseas Shareholders and therefore decided not to extend the offer of the Rights Shares to such Overseas Shareholders.

Holders of Shares with registered address located outside Hong Kong should obtain appropriate legal advice on, inform themselves about and observe any applicable legal requirement. It is the responsibility of each person who wishes to accept the Rights Shares to satisfy himself, herself or itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities or legal requirements and the payment of any transfer or other taxes due by such accepting Shareholder in respect of such jurisdiction. Acceptances of the Rights Shares by any such person will constitute a warranty by such person that such person is permitted under all applicable laws to receive and accept the Rights Shares, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation.

LETTER FROM THE BOARD

Overseas Shareholders will be responsible for the payment of any transfer or other taxes due by such Overseas Shareholders in respect of their respective jurisdictions. None of the Company and the Registrar or any of their respective directors or any other parties involved in the Rights Issue is in a position to advise the Overseas Shareholders on their individual tax implications. The Overseas Shareholders are recommended to consult their own professional advisers as to the tax implications that may arise from accepting the Rights Shares. None of the Company, its Directors or any other parties involved in the Rights Issue accepts any responsibility for any tax effect on, or liabilities of, the Overseas Shareholders.

Overseas Shareholders are advised to seek professional advice on deciding whether to accept the Rights Issue.

TERMS OF THE RIGHTS ISSUE

Subscription price

The Subscription Price for the Rights Shares is HK\$0.50 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue.

The Subscription Price represents:

- (a) a discount of approximately 32.4% to the closing price of HK\$0.74 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 24.2% to the theoretical ex-rights price of approximately HK\$0.66 per Share based on the closing price of HK\$0.74 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 34.4% to the average closing price of approximately HK\$0.762 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day; and
- (d) a discount of approximately 70.1% to the closing price of HK\$1.67 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

LETTER FROM THE BOARD

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to the market price of the Shares under the prevailing market conditions and it is the same as the Placing Price. The Directors consider that the terms of the Rights Issue, including the Subscription Price which has been set at a reasonable discount to the recent closing prices of the Shares with an objective of encouraging existing Shareholders to take up their entitlements so as to participate in the potential growth of the Company in the future, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares will be approximately HK\$0.49.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every two (2) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

Status of Rights Shares

The Rights Shares, when allotted and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

Procedures for acceptance and payment or transfer

For each Qualifying Shareholder, a PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Thursday, 21 May 2015. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "EMPEROR CAPITAL GROUP LIMITED – RIGHTS ISSUE ACCOUNT" and crossed "ACCOUNT PAYEE ONLY".

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Registrar not later than 4:00 p.m. on Thursday, 21 May 2015, whether by the original allottee or any person in whose favour the provisional allotment has been validly transferred, that provisional allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for application under the EAF by the Qualifying Shareholders. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

LETTER FROM THE BOARD

If the Qualifying Shareholders wish to accept only part of the provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the original PAL must be surrendered and lodged for cancellation not later than 4:30 p.m. on Wednesday, 13 May 2015 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection from the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

Save as described under the paragraph headed "Rights of Overseas Shareholders" above, no action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone receiving the Prospectus Documents outside Hong Kong wishing to make an application for the Rights Shares to satisfy itself/himself/herself as to the full observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in any such jurisdiction in connection therewith. Completion and return of the PAL by anyone outside Hong Kong will constitute a warranty and representation to the Company that all registration, legal and regulatory requirements of such relevant jurisdictions other than Hong Kong in connection with the PAL and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for the Rights Shares will be accepted from any person who is a Non-Qualifying Shareholder.

LETTER FROM THE BOARD

If the Underwriter exercises the right to terminate or rescind the Underwriting Agreement or if any of the conditions of the Rights Issue as set out in the paragraph headed “Conditions of the Rights Issue” below is not fulfilled or waived (as applicable) at or before 4:00 p.m. on Wednesday, 27 May 2015 (or such later time as the Company and the Underwriter may agree in writing), the remittance received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in the nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on or before Friday, 29 May 2015.

Application for Excess Rights Shares

Qualifying Shareholders are entitled to apply for (i) any unsold entitlements of the Non-Qualifying Shareholders; (ii) any nil-paid Rights Shares provisionally allotted but not accepted; and (iii) any unsold Rights Shares arising out of the aggregation of fractional entitlements, by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares on a fair and equitable basis in proportion to the number of excess Rights Shares being applied for under each application.

No preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Rights Shares should note that there is no guarantee that such odd lots of the Rights Shares will be topped up to create whole board lots pursuant to applications for excess Rights Shares.

Investors with their Shares held by a nominee (or which are held in CCASS) should note that the Directors will regard the nominee (including HKSCC) as a single Shareholder according to the register of members of the Company. Accordingly, investors whose Shares are registered in the name of a nominee (or which are held in CCASS) should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually.

If a Qualifying Shareholder wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it must complete and sign the enclosed EAF in accordance with the instructions printed thereon and lodge the same with a separate remittance for the amount payable on application in respect of the excess Rights Shares being applied for with the Registrar at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong at or before 4:00 p.m. on Thursday, 21 May 2015. All remittances must be made in Hong Kong dollars by cheques which must be drawn on a bank account with, or by cashier’s orders which must be issued by, a licensed bank in Hong Kong and made payable to “EMPEROR CAPITAL GROUP LIMITED – EXCESS APPLICATION ACCOUNT” and crossed “ACCOUNT PAYEE ONLY”. The Registrar will notify the relevant Qualifying Shareholders of any allotment of excess Rights Shares made to them. An announcement on results of acceptance of and excess applications for the Rights Issue will be published on the websites of the Stock Exchange and the Company on Thursday, 28 May 2015.

LETTER FROM THE BOARD

Where the number of excess Rights Shares applied for under one EAF is larger than the total number of Rights Shares being offered under the Rights Issue, being 429,223,455 Rights Shares, such application (other than from a nominee company) would be treated as invalid and be rejected. If no excess Rights Shares are allotted to a Qualifying Shareholder, the remittance tendered on application is expected to be returned by refund cheque to that Qualifying Shareholder in full without interest by ordinary post at his own risk by the Registrar on or before Friday, 29 May 2015. If the number of excess Rights Shares allotted to a Qualifying Shareholder is less than that applied for, the surplus remittance without interest are also expected to be returned by refund cheque to that Qualifying Shareholder by ordinary post at his own risk by the Registrar on or before Friday, 29 May 2015.

All cheques or cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of the EAF together with a cheque or a cashier's order in payment for the excess Rights Shares applied will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any EAF in respect of which the cheque or cashier's order is dishonoured on first presentation.

The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier's orders for amounts due, will be sent at the risk of the person(s) entitled thereto to their registered addresses by the Registrar. The Company may, at its discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the EAF is not completed in accordance with the relevant instructions. Save as described under the paragraph headed "Rights of Overseas Shareholders" above, no action has been taken to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong. Accordingly, no person receiving a copy of the EAF in any territory outside Hong Kong may treat it as an offer or invitation to apply for the excess Rights Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone outside Hong Kong wishing to make an application for the excess Rights Shares to satisfy itself/himself/herself as to the full observance of the laws and regulations of all relevant territories, including the obtaining of governmental or other consents and payment of taxes and duties required to be paid in such territories in connection therewith. Completion and return of the EAF together with a cheque or cashier's order in payment for the excess Rights Shares applied for will constitute a warranty and representation from the Qualifying Shareholders to the Company that all registration, legal and regulatory requirements of all relevant jurisdictions in connection with the EAF and any acceptance of it, have been, or will be, duly complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above warranty and representation. The Company reserves the right to refuse to accept any application for the excess Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

LETTER FROM THE BOARD

If the Underwriter exercises the right to terminate or rescind the Underwriting Agreement or if any of the conditions of the Rights Issue as set out in the paragraph headed “Conditions of the Rights Issue” below is not fulfilled or waived (as applicable) at or before 4:00 p.m. on Wednesday, 27 May 2015 (or such later time as the Company and the Underwriter may agree in writing), the remittance received in respect of application for excess Rights Shares will be returned to the Qualifying Shareholders or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Friday, 29 May 2015.

Share certificates and refund cheques for Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before 29 May 2015 by ordinary post to the allottees, at their own risk, to their registered addresses. Applicant(s) will receive one share certificate for all the Rights Shares issued to him/her/it. Refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares (if any) are expected to be posted on or before 29 May 2015 by ordinary post to the applicants, at their own risk, to their registered addresses.

The first day of dealings in the Rights Shares in their fully-paid form is expected to commence on Monday, 1 June 2015.

Fractions of Rights Shares

The Company will not provisionally allot fractions of the Rights Shares in nil-paid form to the Qualifying Shareholders. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and all nil-paid Rights Shares arising from such aggregation will be sold in the market for the benefit of the Company if a premium (net of expenses) can be achieved. Any unsold fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders under the EAF(s).

Odd lot matching services

In order to alleviate the difficulties in trading of odd lots of Shares arising from the Rights Issue, the Company has procured Emperor Securities to provide matching service for the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from 1 June 2015 to 19 June 2015 (both dates inclusive). Holders of odd lots of the Shares should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders who wish to take advantage of this matching service either to dispose of their odd lots Shares or to top up to a full board lot, may contact Mr. Leung Shiu Keung of Emperor Securities on 23rd to 24th Floors, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong at telephone number (852) 2919 2919. Any Shareholder, who is in any doubt about the odd lot arrangement, is recommended to consult his/her/its own professional advisers.

LETTER FROM THE BOARD

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms (both in board lots of 6,000), which are registered in the branch register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of holders of the Rights Shares resulting from the purchase, holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions being fulfilled or waived (as appropriate):

- (I) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms) prior to the Latest Time for Termination;
- (II) the filing and registration of all the Prospectus Document (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in Hong Kong by no later than the Posting Date;
- (III) the posting of the Prospectus Documents to the Qualifying Shareholders by no later than the Posting Date;

LETTER FROM THE BOARD

- (IV) the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms thereof on or before the Latest Time for Termination; and
- (V) there being no breach of the undertakings and obligations of the Company under the terms of the Underwriting Agreement at the Latest Time for Termination.

The conditions precedent set out in paragraphs (I) to (IV) are incapable of being waived by the Underwriter and the Company. The Underwriter may waive the condition precedent set out in paragraph (V) in whole or in part by written notice to the Company.

As at the Latest Practicable Date, conditions (I) to (III) had not been fulfilled, no notice had been received from the Underwriter in relation to condition (IV) and the Company was not aware of any matter which would render condition (V) being unable to be fulfilled. Conditions (II) and (III) above are expected to be fulfilled on the Posting Date.

If the conditions precedent set out in above paragraphs are not satisfied and/or remained fulfilled at the respective time and dates specified therein (or such other time as may be extended by the Underwriter (as permitted under the relevant legal and regulatory requirements)), the Underwriting Agreement shall terminate (save in respect of the provisions in relation to indemnity, notices and governing law and any rights or obligations which have accrued under the Underwriting Agreement prior to such termination) and no party will have any claim against any other party for costs, damages, compensation or otherwise, and the Rights Issue will not proceed. The Irrevocable Undertaking shall lapse upon the termination of the Underwriting Agreement.

The Rights Issue is not inter-conditional with the Placing. If the Placing has become unconditional, dealings in the fully paid Rights Shares and the Placing Shares shall commence on the same day, i.e., the next Business Day after completion date of the Placing.

THE UNDERWRITING AGREEMENT

On 26 March 2015, Emperor Capital Holdings and the Company entered into the Underwriting Agreement, pursuant to which Emperor Capital Holdings has conditionally agreed to fully underwrite all the Rights Shares, other than those agreed to be taken up by itself pursuant to the Irrevocable Undertaking.

Date	:	26 March 2015 (after trading hours)
Underwriter	:	Emperor Capital Holdings, the controlling shareholder of the Company
Total number of Rights Shares underwritten by the Underwriter	:	429,223,455 Rights Shares, (having taken into account the Irrevocable Undertaking and assuming no new Shares being issued and there being no repurchase of Shares by the Company on or before the Record Date)
Commission	:	3% of the aggregate Subscription Price of the Underwritten Shares

LETTER FROM THE BOARD

Emperor Capital Holdings does not underwrite issues of securities in its ordinary course of business.

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriter by reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Board considers the terms of the Underwriting Agreement including the commission rate are fair and reasonable so far as the Company and the Shareholders are concerned.

Irrevocable Undertaking

As at the Latest Practicable Date, Emperor Capital Holdings, the controlling shareholder of the Company, is beneficially interested in 1,773,516,907 Shares, representing approximately 67.38% of all the issued Shares of the Company, has provided an irrevocable and unconditional undertaking to the Company, among other things, (i) to accept its entitlements to the provisional allotment of 886,758,453 Rights Shares; (ii) to deliver the duly completed and signed PALs and all relevant documents to the Registrar with full payment therefor in accordance with the terms of the Prospectus Documents on or before the Latest Time for Acceptance; and (iii) not to sell or transfer Shares held by it in any manner before the completion or lapse of the Rights Issue.

Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination,

- (A) one or more of the following events or matters shall occur, arise, exist, or come into effect:
- (i) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever after the signing of the Underwriting Agreement; or
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of the Underwriting Agreement or continuing after the signing the Underwriting Agreement), of a political, financial, economic currency, market or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets; or
 - (iii) any material adverse change after the signing of the Underwriting Agreement in the business or in the financial or trading position of any member of the Group; or
 - (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement; or

LETTER FROM THE BOARD

- (v) after signing of the Underwriting Agreement, there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in securities generally or the Company's securities on the Stock Exchange due to exceptional financial circumstances or otherwise;

which event or events is or are in the absolute opinion of the Underwriter:

- (a) likely to have a material adverse effect on the business or financial or trading position or prospects of the Group as a whole; or
 - (b) likely to have a material adverse effect on the success of the Rights Issue or the level of the Rights Shares taken up; or
 - (c) make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue; or
- (B) any breach of any of the warranties or undertakings or any omission to observe any of the obligations or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (C) any Specified Event comes to the knowledge of the Underwriter,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Upon giving of notice pursuant to the Underwriting Agreement, all obligations of the Underwriter and the Company under the Underwriting Agreement shall cease and determine (without prejudice to the rights of any party in respect of antecedent breach) provided that the Company shall remain liable to pay to the Underwriter such fees and expenses (other than the underwriting commission) payable by the Company pursuant to the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue; and (iii) immediately after completion of the Rights Issue and the Placing.

LETTER FROM THE BOARD

Scenario 1 – Only the Rights Issue has become unconditional

Assuming no further issue of new Shares or repurchase of Shares from the Latest Practicable Date and prior to completion of the Rights Issue:

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Rights Issue Assuming no Shareholders has taken up the Rights Shares (except Emperor Capital Holdings)			
	Number of Shares	%	Assuming all Shareholders have taken up all the Rights Shares Number of Shares	%	Number of Shares	%
Emperor Capital Holdings (Note 1)	1,773,516,907	67.38	2,660,275,360	67.38	3,089,498,815	78.25 (Note 3)
Ms. Daisy Yeung (Notes 1 & 2)	12,000,000	0.46	18,000,000	0.46	12,000,000	0.30
Mr. Chan Shek Wah (Note 2)	13,638,000	0.52	20,457,000	0.52	13,638,000	0.35
Ms. Choi Suk Hing, Louisa (Note 2)	3,120,000	0.12	4,680,000	0.12	3,120,000	0.08
Ms. Pearl Chan (Note 2)	1,950,000	0.07	2,925,000	0.07	1,950,000	0.05
Public Shareholders	827,738,909	31.45	1,241,608,364	31.45	827,738,909	20.97
Total	<u>2,631,963,816</u>	<u>100</u>	<u>3,947,945,724</u>	<u>100</u>	<u>3,947,945,724</u>	<u>100</u>

LETTER FROM THE BOARD

Scenario 2 – Both the Rights Issue and Placing have become unconditional

Assuming no further issue of new Shares or repurchase of Shares from the Latest Practicable Date and prior to completion of the Rights Issue and the Placing;

Shareholders	Immediately after completion of the Rights Issue and the Placing assuming									
	As at the Latest Practicable Date		All Shareholders take up all the Rights Shares and all the Placing Shares are issued		All Shareholders take up all the Rights Shares and only the Underwritten Placing Shares are issued		Emperor Capital		Emperor Capital	
							Holdings takes up all the Underwritten Shares and all the Placing Shares are issued		Holdings takes up all the Underwritten Shares and only the Underwritten Placing Shares are issued	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Emperor Capital Holdings (Note 1)	1,773,516,907	67.38	2,660,275,360	50.69	2,660,275,360	61.18	3,089,498,815	58.87	3,089,498,815	71.06
Ms. Daisy Yeung (Notes 1 & 2)	12,000,000	0.46	18,000,000	0.34	18,000,000	0.41	12,000,000	0.23	12,000,000	0.28
Mr. Chan Shek Wah (Note 2)	13,638,000	0.52	20,457,000	0.39	20,457,000	0.47	13,638,000	0.26	13,638,000	0.31
Ms. Choi Suk Hing, Louisa (Note 2)	3,120,000	0.12	4,680,000	0.09	4,680,000	0.11	3,120,000	0.06	3,120,000	0.07
Ms. Pearl Chan (Note 2)	1,950,000	0.07	2,925,000	0.06	2,925,000	0.07	1,950,000	0.04	1,950,000	0.04
Public Shareholders	827,738,909	31.45	1,241,608,364	23.66	1,241,608,364	28.56	827,738,909	15.77	827,738,909	19.04
RaffAello Securities/ Placees of Underwritten Placing Shares	–	–	400,000,000	7.62	400,000,000	9.20	400,000,000	7.62	400,000,000	9.20
Placees of Best Effort Placing Shares	–	–	900,000,000	17.15	–	–	900,000,000	17.15	–	–
Total	2,631,963,816	100	5,247,945,723	100	4,347,945,723	100	5,247,945,724	100	4,347,945,724	100

LETTER FROM THE BOARD

Notes:

1. Such Shares are beneficially held by Emperor Capital Holdings, which is indirectly owned by AY Trust, of which Ms. Daisy Yeung is one of the eligible beneficiaries and has deemed interest in such Shares.
2. Ms. Daisy Yeung, Mr. Chan Shek Wah, Ms. Choi Suk Hing, Louisa and Ms. Pearl Chan are Directors.
3. This scenario is for illustration purpose only. On 5 May 2015, the Underwriter and Emperor Securities entered into a placing and underwriting agreement pursuant to which, in the event that there is insufficient public float of the Company within the meaning of the Listing Rules immediately upon completion of the Rights Issue solely because of the Underwriter's performance of its obligations pursuant to the Underwriting Agreement, Emperor Securities agreed to procure placees to subscribe for up to 159,247,522 Rights Shares, so as to maintain the minimum public float for the Shares at all time in compliance with Rule 8.08(1) of the Listing Rules. As at the Latest Practicable Date, Emperor Securities has entered into sub-placing agreements with Independent Third Parties whereby such Independent Third Parties undertake to subscribe for up to a total of 159,247,522 Rights Shares.

REASONS FOR THE RIGHTS ISSUE

The principal business activity of the Company is investment holding 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) margin and initial public offering financings as well as loans and advances such as personal money lending and mortgage loan; (iii) placing and underwriting services; and (iv) corporate finance advisory services.

In view of the increasing demand on the financial services provided by the Group, the Directors consider that the Rights Issue and the Placing represent good opportunities to strengthen the financial position of the Group and to raise additional funds at a reasonable cost to support the Group's continuing development and business growth.

The Rights Issue will give the Qualifying Shareholders the opportunity to subscribe for the Shares according to their respective shareholding interests in the Company and hence to participate in the business development and future growth of the Company. At the same time, the Placing will further broaden the Company's shareholder base and, where additional institutional and professional investors are to be introduced as a result, will further enhance the profile of the Company's shareholder base. Hence, the Board considers that fund raising through the Rights Issue and the Placing is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

USE OF PROCEEDS

The gross proceeds from the Rights Issue will be approximately HK\$658.0 million. The net proceeds from the Rights Issue, after the deduction of the relevant expenses, are estimated to be approximately HK\$651.2 million. The Company intends to apply such net proceeds from the Rights Issue in the following manner:

- as to approximately 50% for expansion of the existing business of the Company, especially for the money lending business, which include provision of margin and initial public offering financings as well as loans and advances such as personal money lending and mortgage loan;
- as to approximately 25% for repayment of outstanding loans; and
- the remaining for expansion of the asset management business, general working capital and financing of any future business opportunities to be identified by the Company.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

The Shares has been be dealt in on an ex-rights basis from 30 April 2015. Dealings in the Rights Shares in nil-paid form will to take place from Monday, 11 May 2015 to Monday, 18 May 2015 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.

Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST 12 MONTHS

As disclosed in the Announcement, the Company entered into the Underwriting and Placing Agreement with RaffAello Securities and Emperor Securities, as the placing agents in relation to the Placing for raising HK\$650.0 million before expenses for expansion of the existing businesses of the Company, especially for the money lending business and asset management business, repayment of outstanding loans and to finance any future business opportunities to be identified by the Company. The Placing has not yet been completed as at the Latest Practicable Date.

LETTER FROM THE BOARD

Save for the aforesaid and the Rights Issue, the Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of the Underwriting Agreement and up to the Latest Practicable Date.

POSSIBLE ADJUSTMENTS TO THE OUTSTANDING SHARE OPTIONS

As a result of the Rights Issue, the exercise price and the number of Shares to be issued pursuant to the Outstanding Share Options may be adjusted in accordance with the respective terms and conditions of the Share Option Scheme and the Listing Rules or guidelines issued by the Stock Exchange from time to time. The Company will instruct its auditors or an independent financial adviser to certify the adjustments, if any, to the Outstanding Share Options and will inform the holders of the Outstanding Share Options of the adjustments, if any, accordingly. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

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

1. FINANCIAL INFORMATION

Financial information of the Group for each of the three years ended 30 September 2012, 2013 and 2014 were disclosed in the annual reports of the Company for the years ended 30 September 2012 (pages 38 to 85), 2013 (pages 40 to 89), 2014 (pages 41 to 95) respectively, which were published on both the website of the Stock Exchange (<http://www.hkex.com.hk>) and the website of the Company (<http://www.emperorcapi.com>).

2. INDEBTEDNESS

At the close of business on 31 March 2015, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the Group had indebtedness as below:

- (a) the Group had outstanding bank loans of HK\$3,245 million, of which HK\$600 million was unsecured and HK\$2,645 million was secured. All the outstanding bank loans were guaranteed by the Company.
- (b) the Group had amounts due to licensed money-lender of HK\$10 million. The amounts were unsecured and unguaranteed.
- (c) the Group had unsecured and unguaranteed bonds of principal amount of approximately HK\$606 million.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the normal course of business, at the close of business on 31 March 2015, the Group did not have any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, taking into account (i) the internal financial resources; (ii) the estimated net proceeds from the Rights Issue, and (iii) the available credit facilities, the Group will have sufficient working capital for at least the next twelve months from the date of this Prospectus.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that they were not aware of any material adverse change in the financial or trading position of the Group subsequent to 30 September 2014, being the date to which the latest published audited consolidated financial statement of the Group was made up.

5. BUSINESS TREND AND TRADING PROSPECTS

Hong Kong's leading role in global financial market is widely recognised in light of its sound market fundamentals and intensive linkages with the mainland. Against a backdrop of large worldwide investor base and abundant capital pool, the Group is optimistic to capitalise on Hong Kong's unique position as the gateway to the mainland and the Asia Pacific market. Acceleration in economic and financial reform on the mainland will provide Hong Kong, and hence the financial market participants, with emerging business opportunities. Shanghai- Hong Kong Stock Connect scheme, a cross-border investment channel lately launched in November 2014, is one of the milestones in the development of capital markets in China.

In this respect, the Group endeavors to stay abreast of the latest regulatory and market development, and is well-positioned to meet the challenges and opportunities ahead. Interest income from the money lending business will continue to serve as the Group's major revenue contributor. Riding on its strong network and renowned reputation, the Group strives to enlarge its customer base and ensure its competitive position in the market. As the financing segment grows, the Group would maintain a proactive yet prudent approach in its credit control and loan book management.

The Group has made great strides in transforming into a one-stop financial services provider which offers diversified business lines. The Group will continually work closely among all business lines to enhance the synergies and strengthen its total solution capabilities to cater for the customers' evolving needs. The Group will also implement the measures proactively to manage its capital and liquidity, and ensure efficient use of its capital across business lines to pursue sustainable growth and maximise value for shareholders amid fluctuating market environment.

The Rights Issue will provide good opportunities to strengthen the financial position of the Group and to raise additional funds at a reasonable cost to support the Group's continuing development and business growth.

1. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company (the “**Unaudited Pro Forma Financial Information**”) prepared in accordance with Rule 4.29 of the Listing Rules is set out below to illustrate the effect of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had been completed on 30 September 2014.

The Unaudited Pro Forma Financial Information of the Group has been prepared for illustrative purposes only, and because of its nature, it may not give a true picture of the financial position of the Group as at 30 September 2014 or at any future date following the Rights Issue.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 September 2014, extracted from the published annual report of the Group for the year ended 30 September 2014.

The applicable criteria on the basis of the Directors compiling the Unaudited Pro Forma Financial Information and the adjustments are described below.

Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2014 <i>(Note 1)</i> <i>HK\$'000</i>	Add: Estimated net proceeds from the Rights Issue <i>(Note 2)</i> <i>HK\$'000</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2014 immediately after the completion of the Rights Issue <i>HK\$'000</i>
1,570,134	651,178	2,221,312

Unaudited consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 September 2014 before the completion of the Rights Issue *(Note 3)*

HK\$0.60

Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2014 <i>(Note 1)</i> HK\$'000	Add: Estimated net proceeds from the Rights Issue <i>(Note 2)</i> HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2014 immediately after the completion of the Rights Issue HK\$'000
Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 September 2014 immediately after the completion of the Rights Issue <i>(Note 4)</i>		<u><u>HK\$0.56</u></u>

Notes:

1. The audited consolidated net tangible assets of the Group as at 30 September 2014 of approximately HK\$1,570,134,000 is extracted from the published annual report of the Group for the year ended 30 September 2014 issued on 3 December 2014.
2. The estimated net proceeds from the Rights Issue of approximately HK\$651,178,000 are based on the proceeds of approximately HK\$657,991,000 from the issue of 1,315,981,908 Rights Shares (based on 2,631,963,816 Shares in issue as at 30 September 2014) at the subscription price of HK\$0.5 per Rights Share payable in full upon application, less estimated underwriting commission, costs and expenses directly attributable to the Rights Issue of approximately HK\$6,813,000.
3. Based on 2,631,963,816 Shares in issue as at 30 September 2014.
4. Based on the enlarged issued share capital of 3,947,945,724 Shares assumed to be in issue upon completion of the Rights Issue (comprising 2,631,963,816 Shares in issue as at 30 September 2014 and 1,315,981,908 Rights Shares assumed to be issued under the Rights Issue) assuming there is no exercise of the Share Options or any issue or repurchase of Shares up to the Record Date.
5. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2014.

2. INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of an accountant's report dated 7 May 2015, prepared for the sole purpose of inclusion in this Prospectus, received from the independent reporting accountants, Deloitte Touche Tohmatsu, in respect of the Unaudited Pro Forma Financial Information of the Group.



INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

TO THE DIRECTORS OF EMPEROR CAPITAL GROUP LIMITED

We have completed our assurance engagement to report on the compilation of the unaudited pro forma financial information of Emperor Capital Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 September 2014 and related notes as set out on pages 27 to 28 of Appendix II to the prospectus issued by the Company dated 7 May 2015 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages 27 to 28 of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed Rights Issue as defined in the Prospectus on the Group's financial position as at 30 September 2014 as if the Rights Issue had taken place at 30 September 2014. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's audited financial statements for the year ended 30 September 2014, on which an audit report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“**HKSAE**”) 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of the unaudited pro forma financial information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2014 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
7 May 2015

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

(a) Share Capital

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately after completion of the Rights Issue (without taking into account the Placing) as follows:

(a) *Share capital as at the Latest Practicable Date:*

<i>Authorised</i>		<i>HK\$</i>
<u>500,000,000,000</u>	Shares of HK\$0.01 each	<u>5,000,000,000.00</u>
<i>Issued and fully paid</i>		
<u>2,631,963,816</u>	Shares	<u>26,319,638.16</u>

(b) *Share capital immediately upon the completion of the Rights Issue:*

<i>Authorised</i>		<i>HK\$</i>
<u>500,000,000,000</u>	Shares of HK\$0.01 each	<u>5,000,000,000.00</u>
<i>Issued and fully paid</i>		
2,631,963,816	Shares in issue before completion of the Rights Issue	26,319,638.16
1,315,981,908	Rights Shares to be issued pursuant to the Rights Issue	13,159,819.08
<u>3,947,945,724</u>	Shares in issue following the completion of the Rights Issue	<u>39,479,457.24</u>

All the existing Shares in issue are fully paid and rank pari passu in all respects including all rights as to dividends, voting and return of capital.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there were no arrangements under which future dividends are waived or agreed to be waived.

(b) Options, derivatives, warrants and conversion rights

Set as below were the details of the Outstanding Share Options granted under the Share Option Scheme of the Company as at the Latest Practicable Date:

Date of grant	Number of underlying Shares which are subject of the Outstanding Share Options	Exercise price per Share HK\$	Exercise period
13 August 2013	97,008,000	0.334	Subject to the fulfillment of the pre-determined vesting conditions, the date immediately after the publication of the audited financial results of the Group for the year ending 30 September 2015 to 12 July 2018

As at the Latest Practicable Date, there are Outstanding Share Options entitling the holders thereof to subscribe for a total of 97,008,000 Shares at an exercise price of HK\$0.334 per Share (subject to adjustments). Among the Outstanding Share Options, none of them are exercisable on or before the Record Date.

Save for the Outstanding Share Options, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

3. DISCLOSURE OF INTERESTS

(a) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or the Model Code for Securities Transactions by Directors of Listed Issuers, or which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO were as follows:

(i) Long position in the Shares

Name of Director	Capacity/Nature of interest	Number of Shares interested	Approximate percentage holding
Ms. Daisy Yeung	Beneficiary of a trust	3,089,498,815 (Note 1)	78.25% (Note 2)
Ms. Daisy Yeung	Beneficial owner	12,000,000	0.46%
Mr. Chan Shek Wah	Beneficial owner	13,638,000	0.52%
Ms. Choi Suk Hing, Louisa	Beneficial owner	3,120,000	0.12%
Ms. Pearl Chan	Beneficial owner	1,950,000	0.07%

Notes:

- 1,773,516,907 Shares out of these Shares were held by Emperor Capital Holdings, a wholly-owned subsidiary of AY Holdings. The remaining 1,315,981,908 Shares represent the Rights Shares undertaken and underwritten by Emperor Capital Holdings. AY Holdings was held by STC International being the trustee of the AY Trust, a discretionary trust under which Ms. Daisy Yeung is one of the eligible beneficiaries.
- The percentage is calculated based on the number of issued Shares as enlarged by the issuance of the Rights Shares.

(ii) Long position in underlying shares of the Company

Name of Director	Capacity/Nature of interest	Exercise price (HK\$)	Number of underlying Shares held	Approximate percentage holding
Ms. Daisy Yeung	Beneficial owner	0.334	40,908,000	1.55%
Mr. Chan Shek Wah	Beneficial owner	0.334	40,908,000	1.55%
Ms. Choi Suk Hing, Louisa	Beneficial owner	0.334	9,348,000	0.35%
Ms. Pearl Chan	Beneficial owner	0.334	5,844,000	0.22%

Note: These were Share Options granted to the Directors pursuant to the Share Option Scheme.

*(iii) Long position in the shares/debentures of the associated corporations of the Company*Shares

Name of Director	Name of associated corporation	Capacity/Nature of interests	Number of shares interested	Approximate percentage holding
Ms. Daisy Yeung	Emperor International Holdings Limited (“ Emperor International ”)	Beneficiary of a trust	2,747,610,489	74.83%
Ms. Daisy Yeung	Emperor Entertainment Hotel Limited (“ Emperor E Hotel ”)	Beneficiary of a trust	816,287,845	62.67%
Ms. Daisy Yeung	Emperor Watch & Jewellery Limited (“ Emperor W&J ”)	Beneficiary of a trust	3,617,860,000	52.57%

Debentures

Name of Director	Name of associated corporation	Capacity/Nature of interests	Amount (HK\$)
Ms. Daisy Yeung	Emperor International	Beneficiary of a trust	270,000,000

Note:

Emperor International, Emperor E Hotel and Emperor W&J are companies with their shares listed in Hong Kong. These respective shares/debentures were ultimately owned by AY Holdings which was in turn held by STC International, the trustee of the AY Trust. Ms. Daisy Yeung, by virtue of being one of the eligible beneficiaries of the AY Trust, is deemed to be interested in the said shares/debentures.

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company and their associates had any interests or short positions in any Shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or the Model Code for Securities Transactions by Directors of Listed Issuers, or which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO.

(b) Interests of other persons

As at the Latest Practicable Date, so far as is known to the Directors or the chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares and underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register maintained by the Company pursuant to Section 336 of the SFO, or who were, directly or indirectly, interested in 10% or more of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group:

(i) Long position in the Shares

Name of shareholders	Capacity/Nature of interest	Number of Shares interested	Approximate percentage holding
AY Holdings	Interest in a controlled corporation	3,089,498,815 <i>(Note 1)</i>	78.25% <i>(Note 2)</i>
STC International	Trustee	3,089,498,815 <i>(Note 1)</i>	78.25% <i>(Note 2)</i>
Dr. Albert Yeung	Founder of a discretionary trust	3,089,498,815 <i>(Note 1)</i>	78.25% <i>(Note 2)</i>
Ms. Luk Siu Man, Semon ("Ms. Semon Luk")	Interest of spouse	3,089,498,815 <i>(Note 1)</i>	78.25% <i>(Note 2)</i>
RaffAello Securities	Interests to underwriter under the Underwriting and Placing Agreement to acquire Shares	400,000,000	7.62% <i>(Note 2)</i>

Notes:

- These Shares are the same Shares which Ms. Daisy Yeung has deemed interests as disclosed under Section (a)(i) of "Interest of Directors – Long position in the Shares" above.
- The percentage is calculated based on the number of issued Shares as enlarged by issuance of the Rights Shares.

Save as disclosed above, the Directors or the chief executive of the Company were not aware that there was any person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into or proposed to enter into any service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective associates has any interest in businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group as required to be disclosed pursuant to the Listing Rules.

6. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS

- (a) Various tenancy agreements entered into between a subsidiary of the Company as tenant and companies controlled by the AY Trust as landlord in respect of the following premises: (1) Unit 603, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 851 sq. ft. at monthly rental of HK\$24,253.50; (2) Unit 606, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 1,510 sq. ft. at monthly rental of HK\$43,035; (3) 24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 9,323 sq. ft. at monthly rental of HK\$308,000; (4) Portion of Shop 6 on G/F, 1/F and canopy adjacent thereto and 2/F, East Ocean Court, 525 Shanghai Street, Mongkok, Kowloon, Hong Kong with a gross floor area of 4,269 sq. ft. at monthly rental of HK\$210,000; (5) Unit 604, 6/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong with gross floor area of 2,230 sq. ft. at monthly rental of HK\$63,555.

Details of the above agreements have been set out in the announcements of the Company dated 13 September 2013, 31 March 2014 and/or 23 December 2014. Ms. Daisy Yeung has deemed interest in the above agreements by virtue of being one of the eligible beneficiaries of the AY Trust.

- (b) An agreement dated 28 September 2012 entered into between the Company and AY Holdings, a company controlled by the AY Trust, in relation to the provision of financial services by the Group to the listed members of the Emperor Group. The rate and term are on normal commercial terms and in accordance with the market price and practice and in any event no more favourable than those available to independent third party(ies). Ms. Daisy Yeung has deemed interest in the above agreement by virtue of being one of the eligible beneficiaries of the AY Trust.

Details of the said agreement have been set out in the announcement of the Company dated 28 September 2012 and the annual caps for the transactions contemplated under the agreement for each of the financial years are summarized as below:

	For the financial year ended/ending		
	30 September		
	2013	2014	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Commission and brokerage on dealing in securities, futures and options trading, from acting as placing agent, underwriter or sub-underwriter and interest income from the listed members of the Emperor Group	30,000	30,000	30,000
(ii) Maximum margin loan amount to the listed members of the Emperor Group	110,000	110,000	110,000
(iii) Maximum IPO loan amount to the listed members of the Emperor Group	2,500	2,500	2,500
(iv) Maximum term loan amount to the listed members of the Emperor Group	150,000	150,000	150,000
(v) Financial advisory fee from the listed members of the Emperor Group	8,000	8,000	8,000
Total	<u>300,500</u>	<u>300,500</u>	<u>300,500</u>

- (c) An agreement dated 28 September 2012 entered into between the Company and Ms. Daisy Yeung in relation to the provision of financial services by the Group to Ms. Daisy Yeung and her associates and their acting as placees for securities underwritten or placed by the Group. The rate and term are on normal commercial terms and in accordance with the market price and practice and in any event no more favourable than those available to Independent Third Party(ies).

Details of the said agreement have been set out in the announcement of the Company dated 28 September 2012 and the annual caps for the transactions contemplated under the agreement for each of the financial years are summarized as below:

	For the financial year ended/ending		
	30 September		
	2013	2014	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Commission and brokerage on dealing in securities, futures and options trading and interest income from Ms. Daisy Yeung and her associates	25,000	25,000	25,000
(ii) Maximum margin loan amount to Ms. Daisy Yeung and her associates	110,000	110,000	110,000
(iii) Maximum IPO loan amount to Ms. Daisy Yeung and her associates	200,000	200,000	200,000
(iv) Maximum term loan amount to Ms. Daisy Yeung and her associates	150,000	150,000	150,000
(v) Financial advisory fee from Ms. Daisy Yeung and her associates	2,500	2,500	2,500
(vi) Commission and fee payment to Ms. Daisy Yeung and her associates	500	500	500
	<u>500</u>	<u>500</u>	<u>500</u>
Total	<u><u>488,000</u></u>	<u><u>488,000</u></u>	<u><u>488,000</u></u>

- (d) The Underwriting Agreement entered into between the Company and Emperor Capital Holdings which is indirectly owned by the AY Trust. The underwriting commission for this transaction is approximately HK\$6.4 million. Ms. Daisy Yeung is deemed to be interested in this agreement by virtue of being one of the eligible beneficiaries of the AY Trust.

Save as disclosed above, none of the Directors had any interests, either directly or indirectly, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 30 September 2014 (being the date to which the latest published audited consolidated accounts of the Group were made up). Save for the above agreements in which Ms. Daisy Yeung has deemed interests, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and was significant in relation to the business of the Group.

7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claim of material importance and no litigation or claim of material importance was pending or threatened against any member of the Group.

8. CORPORATE INFORMATION AND PARTIES TO THE RIGHTS ISSUE**REGISTERED OFFICE**

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL OFFICE

24th Floor
Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

AUTHORISED REPRESENTATIVES (STOCK EXCHANGE)

Daisy Yeung
Choi Suk Hing, Louisa

AUDIT COMMITTEE

Poon Yan Wai (*Chairman*)
Chu Kar Wing
Tse Hin Lin, Arnold

REMUNERATION COMMITTEE

Chu Kar Wing (*Chairman*)
Daisy Yeung
Poon Yan Wai

NOMINATION COMMITTEE

Tse Hin Lin, Arnold (*Chairman*)
Daisy Yeung
Chu Kar Wing

CORPORATE GOVERNANCE COMMITTEE

Choi Suk Hing, Louisa (*Chairperson*)
Poon Yan Wai
Tse Hin Lin, Arnold
A representative from company secretarial function
A representative from finance and accounts function

EXECUTIVE COMMITTEE

Daisy Yeung (*Chairperson*)
Chan Shek Wah
Choi Suk Hing, Louisa
Pearl Chan

COMPANY SECRETARY

Choi Suk Hing, Louisa *FCIS, FCS*

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

The Bank of East Asia, Limited
10 Des Voeux Road Central
Hong Kong

Industrial and Commercial Bank of China (Asia) Limited
122-126 Queen's Road Central
Central, Hong Kong

OCBC Wing Hang Bank, Limited
1/F, 161 Queen's Road Central
Hong Kong

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor
One Pacific Place
88 Queensway
Hong Kong

SHARE REGISTRAR (in Bermuda)

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

SHARE REGISTRAR (in Hong Kong)

Tricor Secretaries Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

FINANCIAL ADVISER TO THE COMPANY FOR THE RIGHTS ISSUE

Emperor Capital Limited
28th Floor, Emperor Group Centre
288 Hennessy Road, Wanchai
Hong Kong

LEGAL ADVISER TO THE COMPANY AS TO HONG KONG LAW FOR THE RIGHTS ISSUE

Vincent T.K. Cheung, Yap & Co
11/F, Central Building
1-3 Pedder Street, Central
Hong Kong

STOCK CODE

Hong Kong Stock Exchange: 717

WEBSITE

<http://www.emperorcapiatal.com>

INVESTOR RELATIONS CONTACT

Luk Man Ching, Anna
Email: ir717@emperorgroup.com

9. PARTICULARS OF THE DIRECTORS**(a) *Executive Directors*****Ms. Daisy Yeung** (*Managing Director*)

24th Floor, Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Mr. Chan Shek Wah

24th Floor, Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Ms. Choi Suk Hing, Louisa

28th Floor, Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

Ms. Pearl Chan

28th Floor, Emperor Group Centre
288 Hennessy Road
Wanchai
Hong Kong

(b) Independent Non-Executive Directors**Mr. Chu Kar Wing**

No. 91 Bahans Avenue
The Vineyard
Yuen Long, New Territories
Hong Kong

Mr. Poon Yan Wai

Flat H, 11th Floor, Block 3
Sceneway Garden, 8 Sceneway Road,
Lam Tin, Hong Kong

Mr. Tse Hin Lin, Arnold

Flat A, 4th Floor, Braemar Hill Mansion
21 Braemar Hill Road, Hong Kong

Executive Directors

Daisy Yeung, Managing Director, aged 49, joined the Group in January 1996. She is the Chairperson of the Executive Committee as well as a member of the Remuneration Committee and the Nomination Committee of the Company. She is also a director of various subsidiaries of the Company and a responsible officer (under the SFO) of certain subsidiaries of the Company, namely Emperor Securities, Emperor Futures Limited, Emperor Wealth Management Limited and Emperor Asset Management Limited under the SFO. She is responsible for the formulation of corporate strategy, overseeing operations and the overall steering of the Company's management focusing in the areas of marketing and business development. She has accumulated over 18 years of management experience in securities field and has been active in driving the development of the local industry. Moreover, she is now a Vice-Chairman of The Institute of Securities Dealers Limited and a General Committee member of The Chamber of Hong Kong Listed Companies. Ms. Yeung has obtained a Bachelor's Degree of Science in Business Administration.

Chan Shek Wah, Executive Director, aged 51, joined the Board in December 2011. He is a member of the Executive Committee and a director of various subsidiaries of the Company. He is also the Managing Director and responsible officer (under the SFO) of Emperor Capital Limited. He has over 27 years of professional experiences in the financial services industry. He has been engaged in the sales, proprietary trading, structuring of equity derivatives and equity capital market products as well as the provision of corporate finance advisory services to listed issuers. Before joining the Group, Mr. Chan was the senior management and an executive director of several international financial institutions.

Choi Suk Hing, Louisa, Executive Director and Company Secretary, aged 50, joined the Board in March 2008. She is the Chairperson of the Corporate Governance Committee and a member of the Executive Committee of the Company. She is also a director of various subsidiaries of the Company and a responsible officer of Emperor Capital Limited under the SFO. Ms. Choi has over 16 years of experience in the finance industry covering securities, futures and corporate finance. Before that, she had worked in the company secretary profession in both listed companies as well as professional firms for over 8 years. Ms. Choi holds a Master's Degree in Applied Finance from Macquarie University, Australia. She is a fellow member of both The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries.

Pearl Chan, Executive Director, aged 41, joined the Board in June 2011. She is a member of the Executive Committee of the Company. She has been working in the corporate finance field for more than 13 years and is a director and responsible officer (under the SFO) of Emperor Capital Limited. She was a practicing lawyer in Hong Kong before joining the Group. Ms. Chan holds a Bachelor of Laws Degree from University of Hong Kong and a Master's Degree in Management from Macquarie University, Australia.

Independent Non-executive Directors

Chu Kar Wing, aged 58, joined the Board in May 2010. He is the Chairman of the Remuneration Committee as well as a member of the Audit Committee and the Nomination Committee of the Company. Mr. Chu is also an independent non-executive director of another Hong Kong listed company, China Power New Energy Development Company Limited (Stock Code: 735). He has extensive experience in the banking and finance sector for several well-known corporations. Moreover, he is now the President of Canada-China Culture and Education Association. Mr. Chu holds a Bachelor's Degree in Social Science majoring in Economics.

Poon Yan Wai, aged 44, joined the Board in January 2014. He is the Chairman of the Audit Committee as well as a member of the Remuneration Committee and the Corporate Governance Committee of the Company. He is now the Financial Controller, Company Secretary and Authorised Representative of a Hong Kong listed company. He has over 20 years of experience in the auditing and accounting field. He holds a Bachelor's Degree in Accountancy and a Master's Degree in Corporate Finance from the Hong Kong Polytechnic University. Mr. Poon is a fellow member of The Hong Kong Institute of Certified Public Accountants.

Tse Hin Lin, Arnold, aged 62, joined the Board in March 2014. He is the Chairman of the Nomination Committee as well as a member of the Audit Committee and the Corporate Governance Committee of the Company. He had practiced as a barrister in Hong Kong between 1987 and 1988. He was admitted as a solicitor in 1990 and founded ALT Law Offices on 1 July 2008 and has been acting as the consultant solicitor of this law firm until his retirement in October 2014. Mr. Tse has practiced commercial and corporate law, including advising on cross-border acquisitions and commercial transactions. He was previously an independent non-executive director of another Hong Kong listed company, New Media Group Holdings Limited (now known as Evergrande Health Industry Group Limited) (Stock Code: 708), and retired in November 2013. Mr. Tse holds a Bachelor's Degree in Social Science (Statistics and Geography) and also a Law Degree.

10. EXPERT AND CONSENT

The followings are the qualification of the expert who has given advices and/or reports contained in this Prospectus:

Name	Qualification
Deloitte Touche Tohmatsu (“ Deloitte ”)	Certified Public Accountants

Deloitte has given and has not withdrawn their written consent to the issue of this Prospectus with the inclusion of their advices and/or reports and references to their name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Deloitte

- (a) did not have any shareholding in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (b) did not have any direct or indirect interest in any assets which have been, since 30 September 2014 (being the date to which the latest published audited consolidated accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

11. EXPENSES

The expenses in connection with the Rights Issue including, among others, financial and legal advisory fee, underwriting commission, printing, registration, translation and accounting charges and other related expenses are estimated to be approximately HK\$6.8 million and will be payable by the Company.

12. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) had been entered into by the members of the Group within two years immediately preceding the date of this Prospectus are or may be material:

- (a) the placing agreement dated 11 October 2013 entered into between the Company, as issuer and Emperor Securities, a wholly owned subsidiary of the Company, as placing agent in relation to the placing of bonds up to a maximum principal amount of HK\$303,033,500 on a best effort basis;
- (b) the underwriting agreement dated 11 October 2013 entered into between Emperor Capital Holdings and the Company in relation to the underwriting arrangement in respect of an open offer of bonds up to a maximum principal amount of HK\$303,033,500 (“**Bond Underwriting Agreement**”);
- (c) the supplemental underwriting agreement dated 5 November 2013 entered into between the Company and Emperor Capital Holdings amending certain terms of the Bond Underwriting Agreement;
- (d) the Underwriting and Placing Agreement dated 26 March 2015 entered into between the Company as issuer and RaffAello Securities and Emperor Securities (an indirect wholly owned subsidiary of the Company) as Placing Agents in relation to the placing of a maximum of 1,300,000,000 Placing Shares by the Placing Agents; and
- (e) the Underwriting Agreement, the summary terms of which are set out in this Prospectus.

13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of this Prospectus, the PAL and the EAF, having attached thereto the written consent referred to under the paragraph headed “Expert and consent” in this Appendix, have been registered by the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. (other than Saturdays, Sundays and public holidays) at the office of the Company at 24/F, Emperor Group Centre, 288 Hennessy Road, Wanchai, Hong Kong from the date of this Prospectus up to and including the Latest Time for Acceptance:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for the two financial years ended 30 September 2013 and 2014;
- (c) the written consent as referred to under the paragraph headed “Expert and consent” in this Appendix;
- (d) the report from Deloitte on the Unaudited Pro Forma Financial Information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (e) the material contracts as referred to under the paragraph headed “Material contracts” in this Appendix; and
- (f) this Prospectus.

15. MISCELLANEOUS

In the event of inconsistency, the English text of this Prospectus prevail over its Chinese text.

This Prospectus shall be governed by and construed in accordance with the laws of Hong Kong.

This Prospectus (in both English and Chinese versions) is available to any Shareholder in printed form and on the websites of the Stock Exchange (<http://www.hkex.com.hk>) and the Company (<http://www.emperorcapi.com>). In order to protect the environment, the Company highly recommends the Shareholders to elect to receive electronic copy of this Prospectus. Upon written request, a free printed version of Corporate Communication will be sent to Shareholders who have elected to receive electronic copies but for any reason have difficulty in receiving or gaining access to any Corporate Communication through the Company’s website. Shareholders may have the right to change their choice of receipt of our future Corporate Communications at any time by reasonable notice in writing to the Company or the Company’s Hong Kong Branch Share Registrar, Tricor Secretaries Limited, by post at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong or by email at is-enquiries@hk.tricorglobal.com.