



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

(Incorporated in Bermuda with limited liability)

(Stock code: 717)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

The board of directors (the “Board” or the “Directors”) of Emperor Capital Group Limited (“ECG” or the “Company”) announces the audited combined results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 March 2007 together with comparative figures for the corresponding year in 2006 are as follows:

These audited combined financial statements have been reviewed by the audit committee of the Company, which comprises three Independent Non-executive Directors of the Company.

COMBINED INCOME STATEMENT

For the year ended 31 March

	<i>Notes</i>	2007 HK\$'000	2006 HK\$'000
Revenue	5	123,691	95,026
Other operating income		2,162	1,857
Staff costs		(13,624)	(10,623)
Other operating and administrative expenses		(53,901)	(34,951)
Depreciation and amortisation		(1,447)	(1,530)
Finance costs	6	(26,871)	(19,152)
Gain on disposal of intangible assets		–	373
Profit before taxation	7	30,010	31,000
Taxation	8	(5,914)	(5,010)
Profit for the year		24,096	25,990
Dividends	9	–	–
Earnings per share			
– Basic	10	HK8.53 cents	HK9.20 cents
– Diluted	10	N/A	N/A

COMBINED BALANCE SHEET

As at 31 March

	Notes	2007 HK\$'000	2006 HK\$'000
Non-current assets			
Property and equipment		2,124	3,050
Intangible assets		771	1,157
Other assets		4,448	4,308
Loans and advances		–	17,000
Available-for-sale financial assets		136	–
		<u>7,479</u>	<u>25,515</u>
Current assets			
Trade receivables	11	161,520	165,042
Loans and advances		19,000	80,596
Other debtors, deposits and prepayments		7,122	3,791
Amount due from a fellow subsidiary		272,756	168,805
Tax recoverable		–	358
Bank balances and cash – trust		119,367	97,845
Bank balances and cash – general		70,028	34,013
		<u>649,793</u>	<u>550,450</u>
Current liabilities			
Trade payables	12	162,968	166,511
Other creditors and accrued charges		12,145	6,745
Tax liabilities		989	13
Short-term bank borrowings		54,400	–
		<u>230,502</u>	<u>173,269</u>
Net current assets		<u>419,291</u>	<u>377,181</u>
Total assets less current liabilities		<u>426,770</u>	<u>402,696</u>
Capital and reserves			
Share capital		127,000	127,000
Reserves		299,705	275,609
Total capital and reserves		426,705	402,609
Non-current liability			
Deferred taxation		65	87
		<u>426,770</u>	<u>402,696</u>

Notes

1. Group restructuring and basis of presentation of combined financial statements

Pursuant to a group reorganisation scheme (the “Group Reorganisation”) to rationalise the structure of the Group in preparation for the listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “SEHK”), the Company has become the holding company of the Group on 2 April 2007. Details of the Group Reorganisation were set out in the paragraph headed “Statutory and General Information – Reorganisation” in Appendix V to the prospectus dated 11 April 2007 issued by the Company (the “Prospectus”). The Company’s shares were listed on the Main Board of the SEHK on 24 April 2007.

The Group resulting from the above mentioned reorganisation is regarded as a continuing entity. Accordingly, the combined financial statements of the Group have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combinations” as if the group structure under the Group Reorganisation had been in existence throughout the two years ended 31 March 2007.

2. Early Adoption of new Hong Kong Financial Reporting Standards

For the purposes of preparing and presenting the combined financial statements, the Group has adopted all the Hong Kong Financial Reporting Standards that are effective for accounting periods beginning on or prior to 1 April 2006.

The Hong Kong Institute of Certified Public Accountants (the “HKICPA”) has issued the following standards, amendment and interpretations (“INTs”) that have been issued but are not yet effective. The Group has considered the following standards, amendment and INTs but does not expect they will have a material effect on how the results of operations and financial position of the Group are prepared and presented.

HKAS 1 (Amendment)	Capital disclosures ¹
HKAS 23 (Revised)	Borrowing costs ²
HKFRS 7	Financial instruments: Disclosures ¹
HKFRS 8	Operating segments ²
HK(IFRIC) – INT 8	Scope of HKFRS 2 ³
HK(IFRIC) – INT 9	Reassessment of embedded derivatives ⁴
HK(IFRIC) – INT 10	Interim financial reporting and impairment ⁵
HK(IFRIC) – INT 11	HKFRS 2 – Group and Treasury Share Transactions ⁶
HK(IFRIC) – INT 12	Service concession arrangements ⁷

¹ Effective for annual periods beginning on or after 1 January 2007.

² Effective for annual periods beginning on or after 1 January 2009.

³ Effective for annual periods beginning on or after 1 May 2006.

⁴ Effective for annual periods beginning on or after 1 June 2006.

⁵ Effective for annual periods beginning on or after 1 November 2006.

⁶ Effective for annual periods beginning on or after 1 March 2007.

⁷ Effective for annual periods beginning on or after 1 January 2008.

3. Significant accounting policies

The combined financial statements have been prepared under the historical cost convention.

The combined financial statements have been prepared in accordance with the accounting policies which conform with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the combined financial statements have been include applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK (the “Listing Rules”) and the Hong Kong Companies Ordinance.

4. Business and geographical segment

Business segments

The Group is principally engaged in three main operating divisions, namely, broking, financing and placing and underwriting. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

Broking	–	Broking of securities, options and futures
Financing	–	Provision of margin financing and money lending services
Placing and underwriting	–	Provision of placing and underwriting services

All of the activities of the Group are based in Hong Kong and all of the Group’s revenue are derived from Hong Kong. Accordingly, no analysis by geographical segments is presented.

	Broking <i>HK\$’000</i>	Financing <i>HK\$’000</i>	Placing and underwriting <i>HK\$’000</i>	2007 Total <i>HK\$’000</i>
REVENUE	<u>73,430</u>	<u>45,808</u>	<u>4,453</u>	<u>123,691</u>
RESULTS				
Segment results	35,709	18,938	1,508	56,155
Unallocated other operating income				1,065
Unallocated corporate expenses				<u>(27,210)</u>
Profit before taxation				30,010
Taxation				<u>(5,914)</u>
Profit for the year				<u>24,096</u>
ASSETS				
Segment assets	233,243	73,987	–	307,230
Unallocated corporate assets				<u>350,042</u>
Combined total assets				<u>657,272</u>

4. Business and geographical segment (continued)

	Broking <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Placing and underwriting <i>HK\$'000</i>	2007 Total <i>HK\$'000</i>
LIABILITIES				
Segment liabilities	163,740	54,400	–	218,140
Unallocated corporate liabilities				<u>12,427</u>
Combined total liabilities				<u><u>230,567</u></u>
OTHER INFORMATION				
Additions of property and equipment	135	–	–	135
Amortisation of intangible assets	386	–	–	386
Depreciation of property and equipment	<u>1,061</u>	<u>–</u>	<u>–</u>	<u>1,061</u>
	Broking <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Placing and underwriting <i>HK\$'000</i>	2006 Total <i>HK\$'000</i>
REVENUE	<u>46,371</u>	<u>43,460</u>	<u>5,195</u>	<u>95,026</u>
RESULTS				
Segment results	23,043	24,308	1,009	48,360
Unallocated other operating income				923
Unallocated corporate expenses				<u>(18,283)</u>
Profit before taxation				31,000
Taxation				<u>(5,010)</u>
Profit for the year				<u><u>25,990</u></u>
ASSETS				
Segment assets	267,768	97,596	3,635	368,999
Unallocated corporate assets				<u>206,966</u>
Combined total assets				<u><u>575,965</u></u>

4. Business and geographical segment (continued)

	Broking <i>HK\$'000</i>	Financing <i>HK\$'000</i>	Placing and underwriting <i>HK\$'000</i>	2006 Total <i>HK\$'000</i>
LIABILITIES				
Segment liabilities	168,411	–	141	168,552
Unallocated corporate liabilities				<u>4,804</u>
Combined total liabilities				<u><u>173,356</u></u>
OTHER INFORMATION				
Additions of property and equipment	1,036	–	–	1,036
Amortisation of intangible assets	386	–	–	386
Depreciation of property and equipment	<u>1,145</u>	<u>–</u>	<u>–</u>	<u>1,145</u>

5. Revenue

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Commission and brokerage on securities and equity options dealing	44,272	32,305
Commission and brokerage on dealing in futures and options contracts	25,836	12,876
Placing and underwriting commission	4,453	5,195
Interest income from:		
Margin and initial public offer financing	35,918	24,120
Loans and advances	9,890	19,340
Bank deposits	3,173	1,119
Others	149	71
	<u>123,691</u>	<u>95,026</u>

6. Finance costs

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Interest on:		
Bank overdrafts and loans wholly repayable within five years	23,065	13,815
Subordinated loan from a fellow subsidiary	3,227	5,337
Others	579	–
	<u>26,871</u>	<u>19,152</u>

7. Profit before taxation

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Profit before taxation has been arrived at after charging (crediting):		
Commission	32,853	21,214
Amortisation of intangible assets	386	386
Auditor's remuneration	600	484
Depreciation of property and equipment	1,061	1,145
Exchange loss	26	171
Operating lease rentals in respect of		
– rented premises	1,889	1,706
– equipment	67	243
Other equipment rental expense	2,487	2,355
Listing expenses	5,384	–
Handling fee income	(1,274)	(1,371)
Write back for bad and doubtful debts	(187)	–
	<u>32,853</u>	<u>21,214</u>

8. Taxation

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Current year:		
Hong Kong Profits Tax		
– provision for the year	5,953	4,981
– overprovision for prior year	(17)	(24)
Deferred taxation		
– (credit) charge for the year	(22)	53
	<u>5,914</u>	<u>5,010</u>

Hong Kong Profits Tax is calculated at 17.5% on the estimated assessable profits for both years.

9. Dividends

No dividends have been paid or declared by the Company and its subsidiaries during the years ended 31 March 2007 and 2006.

10. Earnings per share

The calculation of the basic earnings per share for the year is based on the combined profit attributable to equity holders of the Company for the year and on the number of 282,635,636 (2006: 282,635,636) shares in issue during the year on the assumption that the Group Reorganisation had been effective on 1 April 2005.

No diluted earnings per share has been presented for the years ended 31 March 2007 and 2006 as there were no potential ordinary shares at both balance sheet dates.

11. Trade receivables

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Trade receivables from the business of dealing in futures contracts:		
Clearing houses and brokers	12,605	13,796
Trade receivables from the business of dealing in securities:		
Clearing houses, brokers and clients	34,240	61,556
Secured margin loans	114,792	89,994
Less: Impairment allowance on trade receivables	(117)	(304)
	<u>161,520</u>	<u>165,042</u>

The settlement terms of trade receivables arising from the business of dealing in securities are two days after trade date, and trade receivables arising from the business of dealing in futures contracts are one day after trade date.

Except for the loans to margin clients as mentioned below, all the trade receivables arising from the business of dealing in securities and futures contracts aged within 30 days.

Loans to margin clients are secured by clients' pledged securities, repayable on demand and bear variable interest at prime rate with a spread. No aged analysis is disclosed as in the opinion of the directors of the Company, the aged analysis does not give additional value in view of the nature of business of share margin financing.

Included in secured margin loans, there is an amount receivable from a fellow subsidiary of nil and HK\$85,000 at 31 March 2007 and 2006 respectively. The balances are secured by pledged securities and repayable on demand, and bear variable interest at commercial rates which are similar to the rates offered to other margin clients.

As at 31 March 2007 and 2006, the total market value of securities pledged as collateral in respect of the loans to margin clients approximately HK\$415,101,000 and HK\$1,023,952,000 respectively.

As at 31 March 2007, trade receivables denominated in Japanese Yen and United States dollars, are approximately HK\$3,097,000 (2006: HK\$1,083,000) and HK\$5,600,000 (2006: HK\$4,328,000) respectively.

11. Trade receivables (continued)

The fair values of the balances included in the accounts at each balance sheet date approximate the corresponding carrying amounts.

12. Trade payables

	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Trade payables from the business of dealing in futures contracts:		
Margin clients	27,376	19,463
Trade payables from the business of dealing in securities:		
Margin and cash clients	135,592	147,048
	<u>162,968</u>	<u>166,511</u>

Trade payables to margin clients arising from the business of dealing in futures contracts are margin deposits received from clients for their trading of these contracts. The excess of the outstanding amounts over the required margin deposits stipulated is non-interest bearing and repayable to clients on demand. No aged analysis is disclosed as in the opinion of directors, the aged analysis does not give additional value in view of the nature of this business.

The settlement terms of trade payables arising from the business of dealing in securities are two days after trade date.

Trade payables to clearing house and brokers are non-interest bearing and repayable on demand subsequent to settlement date. Trade payables to certain margin and cash clients bear variable interest at commercial rates, and repayable on demand subsequent to settlement date. No aged analysis is disclosed as in the opinion of directors of the Company, the aged analysis does not give additional value in view of the nature of business of dealing in securities and share margin financing.

Included in trade payables amounts of HK\$119,367,000 and HK\$97,845,000 at 31 March 2007 and 2006 respectively were payable to clients and other institutions in respect of the trust and segregated bank balances received and held for clients and other institutions in the course of the conduct of regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

Included in trade payables to margin clients arising from the business dealing in securities, there is an amount payable to a fellow subsidiary of nil and HK\$155,000 at 31 March 2007 and 2006 respectively.

As at 31 March 2007, trade payables denominated in Japanese Yen and United States dollars, are approximately HK\$3,392,000 and HK\$12,835,000 respectively. As at 31 March 2006, all trade payables were denominated in Hong Kong dollars.

The fair values of the trade payables at each balance sheet date approximate to the corresponding carrying amounts.

MANAGEMENT DISCUSSION AND ANALYSIS

The Market

Hong Kong and the global economy have both recorded a satisfactory performance in 2006, followed by continuous improvement in the first quarter of 2007.

For the financial year ended 31 March 2007, the total turnover of the Hong Kong stock market reached HK\$9,672 billion, representing an increase of 81.2% as compared with HK\$5,337 billion in the previous period. The market capitalisation of Hang Seng Index (“HSI”) reported a year-on-year growth of 44.0% to HK\$13,442 billion. The market capitalisation of Hong Kong stock market ranked sixth in the world and second largest in Asia at the end of 2006.

In 2006, Hong Kong became the second largest initial public offering (“IPO”) centre in the world, after London and surpassing New York. As at 31 March 2007, there were 983 companies listed on the main board of the SEHK, including 57 new companies which had together raised HK\$340 billion.

Hong Kong futures were heavily traded with contract volume increased to 13.6 million for the year under review from 10.5 million in the prior year. While the contract volume of HSI options climbed over 50% to 5.1 million for the year from 3.4 million previously.

Outside Hong Kong, the global economy had also been performing strongly. The US futures markets had an annual turnover of approximately 2.0 billion futures contracts, accounting for approximately 39% of the global volume, the major futures exchanges while Japan’s commodity exchanges had also performed remarkably well.

Overview

The Group was spun off from its listed parent Emperor International Holdings Limited (“EIHL”) and became separately listed on the main board of the SEHK under the stock code of 717 on 24 April 2007.

Established in 1993, the Group positions itself as a preferred brokerage house of quality services for clients and provides a wide range of financial services including brokerage services for securities, futures and options traded on the exchanges in Hong Kong, Japan and the US. It also provides margin and IPO financing as well as loans and advances to clients in Hong Kong.

For the year under review, the Group recorded a turnover of approximately HK\$123.7 million, an increase of 30.2% from HK\$95.0 million in the previous year. Profit for the year, after the one-off listing expenses of approximately HK\$5.4 million, totalled HK\$24.1 million with earnings per share of 8.5 HK cents, as against HK\$26.0 million and 9.2 HK cents respectively for the previous year. The Group is in investment stage, the drop in profit margin was due to increased expenditure on expanding its workforce and operations which were expected to enhance its profitability and boost its market share in the future.

Serving mainly retail customers, the Group had approximately 20,000 clients at the end of the year under review.

Securities Brokerage, Placing and Underwriting

Total commission income derived from securities brokerage, placing and underwriting, rose 34.5% to HK\$52.0 million for the year under review from HK\$38.7 million for the previous year, thanks to the boom in securities trading on the SEHK with average daily turnover for the year jumped to HK\$30.1 billion from HK\$16.7 billion in the prior year. The securities brokerage revenue contributed a total of 42.0% to the Group's revenue (2006: 40.7%).

Backed by our team of professional marketing executives and an in-house research department, the Group's securities brokerage business covers services including securities listed and traded on the SEHK, equity research, application for IPO new issues and other nominee services. Despite intense competition from its peers and retail banks in the territory, the Group managed to keep a long-standing history with its customers providing quality services.

Futures and Options Dealing

The commission income derived from futures and options dealing doubled to HK\$25.8 million for the year, up from HK\$12.9 million previously. It contributed 20.9% of the total revenue for the year, against 13.6% in 2006. Apart from dealing in futures and options traded on the SEHK, the Group has also actively dealt in commodity futures traded outside Hong Kong, which contributed a large portion of the segment's revenue.

Loans and Financing

The segment comprises of interest income from margin and IPO financing as well as loans and advances. Public fervour for IPOs had been strong during the year with overwhelming response to the fund raising exercises of sizable H shares and red chips. In addition to margin financing, the Group also provides loans and advances to clients.

Total income from the segment was up 5.3% to HK\$45.8 million from HK\$43.5 million in 2006. The segment contributed 37.0% to the total revenue for the year (2006: 45.7%) as a result of the Group's effort to balance and diversify its business portfolio. The business was expected to contribute steady income to the Group with satisfactory return.

Outlook

The HSI, in the months following its reporting period, had experienced its traded high of over 23,000 points with heavy daily turnover of over HK\$100 billion. Mainland China's economy continues to boom with fixed investment and individual consumption recording strong growth. Market sentiment is generally positive towards the outlook as investors expect funds from the PRC's Qualified Domestic Institutional Investor (QDII) programme to boost share prices in the territory. The QDII scheme was launched in 2006 by the PRC government to help reduce the Mainland China's growing foreign reserves and amid pressure to revalue the yuan. Recently, Mainland China has used it as an outlet for eager domestic investors, who have sent mainland markets rising, by allowing financial firms and banks to offer QDII funds holding foreign equities. Positive QDII sentiment also pushed up a number of blue chips to their peaks since listing.

Outlook *(continued)*

The management of ECG believes these all will benefit the industry and its brokerage and futures dealing operations. To capture the growing potentials, the Group will strengthen its presence by opening new branches in Hong Kong to cater retail customers while also tapping into the institutional sales market. We also expect to have a higher profile in Hong Kong and PRC through marketing programme and organising investor seminars. The Group will also increase its research resources and capability to cope with growing customer demand.

To strengthen its foothold in futures trading, ECG plans to enhance its professional commodities sales team and forge alliances with overseas commodities brokers. Commodities futures brokerage is expected to become one of the Group's growth drivers in the future with sufficient volatility notably in oil and gold and other commodities as well as a bullish outlook in long term despite market fluctuations.

As investors nowadays have grown increasingly sophisticated, ECG believes in providing tailor-made and quality investment solutions for its customers. The Group will continue to exercise caution in granting loans with regular assessments of investment portfolio and on individual borrowers. The Group has also planned to launch its wealth management operations to offer investment consultancy services. The management expects to enhance the Group's profitability through economy of scale and rationalise its cost structure so as to weather abrupt changes in market conditions. The provision of quality services remains our major strategies for customer and business development.

LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations by shareholders' equity, cash generated from operations, and short-term bank borrowings.

As at 31 March 2007, the Group's gearing ratio was 0.127 (2006: Nil) (calculated based on the basis of total bank and other borrowings over total equity).

The Group's total short-term bank borrowings amounted to approximately HK\$54,400,000 (2006: Nil) as at 31 March 2007. The Group's short-term bank borrowings were utilised for IPO financing and secured by a charge over securities subscribed under IPO as at 31 March 2007 (2006: Nil). The bank borrowings carry interest at HIBOR plus a spread and are denominated in Hong Kong dollar.

EMPLOYEE AND REMUNERATION POLICY

As at 31 March 2007, the Group has 56 (2006: 40) account executives and 55 employees (2006:46). Total staff costs (including directors' remuneration) were approximately HK\$13.6 million (2006: HK\$10.6 million). Employees' remuneration were determined in accordance with individuals' responsibilities, performances and experiences. Staff benefits include contributions to retirement benefit scheme, medical allowances and other fringe benefits.

CONTINGENT LIABILITY

The Group did not have any significant contingent liability at the balance sheet date.

CAPITAL STRUCTURE

The Company was incorporated in Bermuda on 27 June 2006 with an authorised share capital of HK\$100,000 divided into 10,000,000 shares of HK\$0.01 each. 10,000,000 unpaid shares of HK\$0.01 was issued to the subscriber EIHL on 11 July 2006.

The share capital of the Group as at 31 March 2007 and 2006 represented the aggregate issued share capital of Emperor Securities Limited, Emperor Securities Nominees Limited, Emperor Futures Limited, Emperor Gold & Silver Company Limited and Famous Winner Holdings Limited at each balance sheet date.

Pursuant to resolutions in writing of the sole shareholder passed on 2 April 2007, the authorised share capital of the Company was increased from HK\$100,000 to HK\$2,826,356.36 divided into 282,635,636 shares of a par value of HK\$0.01 each by creation of a further 272,635,636 shares.

In consideration of the transfer by EIHL to the Company of the interest in Profit Ascent Group Limited, on 2 April 2007, the Company:

- (i) allotted and issued 272,635,636 shares, credited as fully paid, to EIHL at the request of Emperor Financial Services (Hong Kong) Limited (“Emperor Financial Services”) and Joybridge Services Limited, an immediate holding company of Emperor Financial Services, and a wholly owned subsidiary of EIHL; and
- (ii) credited as fully paid at par the 10,000,000 shares issued by the Company to EIHL.

On 2 April 2007, written resolutions of the sole shareholder of the Company passed to approve the matters set out in the paragraph headed “Resolutions in writing of the sole shareholder passed on 2 April 2007” in Appendix V to the Prospectus, pursuant to which the authorised share capital of the Company was increased from HK\$2,826,356.36 to HK\$5,000,000,000 divided into 500,000,000,000 shares of a par value of HK\$0.01 each by the creation of a further 499,717,364,364 shares.

On 24 April 2007, 318,635,636 shares of HK\$0.01 each of the Company were issued at HK\$0.38 by way of preferential offer to the shareholders of EIHL and public offer. On the same date, the Company’s shares were listed on the Main Board of the SEHK.

USE OF IPO PROCEEDS FROM LISTING

The net proceeds from the Company’s IPO amounted to approximately HK\$111 million. These net proceeds were partially applied during the period from the listing date up to the date of this announcement and such application is consistent with the proposed usage of the net proceeds set forth in the Prospectus.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

As the Group was spun-off from EIHL with its shares successfully listed on the SEHK on 24 April 2007, the Board has adopted various policies for the purpose to ensure compliance with all provisions of the Code on Corporate Governance Practice under Appendix 14 of the Listing Rules, except with the deviation from code provision A.2.1 which requires the roles of chairman and chief executive officer be separate and not be performed by the same individual. Currently, the Board has appointed Ms. Daisy Yeung as the Managing Director of the Company, who also assumes the responsibility to lead the Board and ensure the Board works effectively. The Board is of the opinion that the current structure functions effectively and does not intend to make any change thereof.

Model Code for Securities Transactions

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules. Having made specific enquiry to all the Directors of the Company, all the Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code.

PUBLICATION OF THE AUDITED COMBINED RESULTS AND ANNUAL REPORT

The annual results announcement is published on the SEHK's website (<http://www.hkex.com.hk>) and the Company's website (<http://www.emp717.com>). The annual report will be dispatched to the shareholders and will be available on websites of the SEHK and the Company in due course.

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

Hong Kong, 16 July 2007

As at the date of this announcement, Ms. Yeung, Daisy is the managing director; Mr. Chan Pak Lam, Tom and Mr. Yeung Kun Lee, Sunny are the executive directors; Mr. Fung Chi Kin, Mr. Kwok Chi Sun, Vincent and Mr. Cheng Wing Keung, Raymond are independent non-executive directors.

* *For identification purpose only*