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**英皇集團（國際）有限公司\***  
**Emperor International Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 163)



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

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 717)

## **CONTINUING CONNECTED TRANSACTION**

The board of directors of EIHL announces that on 31 March 2011, eDaily Systems entered into the Tenancy Agreement with Emperor Bullion in relation to the tenancy of the Property.

The board of directors of ECG announces that on the same day Profit Broad entered into the Subletting Agreement with Emperor Bullion in relation to the tenancy of the Portion of the Property.

eDaily Systems is an indirect wholly-owned subsidiary of EIHL, which is indirectly owned as to 69.08% by the AY Trust, a discretionary trust set up by Dr. Albert Yeung. Emperor Bullion is indirectly wholly-owned by the YF Trust, the settlor of which is Mr. Michael Yeung. Mr. Michael Yeung is the brother of Dr. Albert Yeung and the brother-in-law of Ms. Luk Siu Man, Semon, the chairperson of EIHL. As such, Emperor Bullion is a connected person of EIHL under Chapter 14A of the Listing Rules. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for EIHL.

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

Profit Broad is an indirect wholly-owned subsidiary of ECG, which is indirectly owned as to 47.90% by the AY Trust, a discretionary trust set up by Dr. Albert Yeung. Emperor Bullion is indirectly wholly-owned by the YF Trust, the settlor of which is Mr. Michael Yeung. Mr. Michael Yeung is the brother of Dr. Albert Yeung and the uncle of Ms. Daisy Yeung, the Managing Director of ECG. As such, Emperor Bullion is a connected person of ECG under Chapter 14A of the Listing Rules. Accordingly, the Subletting Agreement constitutes a continuing connected transaction for ECG.

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

### **TENANCY AGREEMENT DATED 31 MARCH 2011**

The board of directors of EIHL announces that on 31 March 2011, eDaily Systems entered into the Tenancy Agreement with Emperor Bullion in relation to the tenancy of the Property.

Landlord: eDaily Systems

Principal Tenant: Emperor Bullion

Premises: Shops 2-6 on G/F, 1/F and canopy adjacent thereto, 2/F, reserved flat roof portion, first and second advertising walls, East Ocean Court, 525 Shanghai Street, Mongkok, Kowloon with a gross floor area of 5,548 sq.ft

Usage: for commercial purpose

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

Rent: 1st year – HK\$320,000 per month  
2nd year – HK\$350,000 per month  
3rd year – HK\$380,000 per month  
(all rents are exclusive of rates, management fees and all other outgoings, payable monthly in advance)

Rent free period: two and a half months:–  
1st year – from 1 April 2011 to 15 April 2011  
2nd year – from 1 April 2012 to 30 April 2012  
3rd year – from 1 April 2013 to 30 April 2013

Effective Rental: HK\$325,277.78 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance

Deposit: HK\$1,224,699 which is equivalent to three months' highest rent, management fee and rates

## **ANNUAL CAP OF THE TENANCY AGREEMENT**

The Annual Cap of EIHL for the Tenancy Agreement is based on the total annual rental receivable with the adjustment of the rent free period under the Tenancy Agreement for each of the years ending 31 March 2012, 2013 and 2014 will be as follows:

|                   | <b>2012</b> | <b>2013</b> | <b>2014</b> |
|-------------------|-------------|-------------|-------------|
|                   | <b>HK\$</b> | <b>HK\$</b> | <b>HK\$</b> |
| Tenancy Agreement | 3,904,000   | 3,904,000   | 3,904,000   |

## **SUBLETTING AGREEMENT DATED 31 MARCH 2011**

The board of directors of ECG announces that on 31 March 2011, Profit Broad entered into the Subletting Agreement with Emperor Bullion in relation to the sub-tenancy of the Portion of the Property.

|                   |   |
|-------------------|---|
| Principal Tenant: | Emperor Bullion   |
| Sub-Tenant:       | Profit Broad  |
| Premises:         | Portion of Shop 6 on G/F, 1/F and canopy adjacent thereto, 2/F, East Ocean Court, 525 Shanghai Street, Mongkok, Kowloon with gross floor area of 4,269 sq.ft  |
| Usage:            | for commercial purpose  |
| Term:             | three years commencing from 1 April 2011 to 31 March 2014 (both days inclusive)   |
| Rent:             | 1st year – HK\$153,500 per month<br>2nd year – HK\$168,000 per month<br>3rd year – HK\$182,500 per month<br>(all rents are exclusive of rates, management fees and all other outgoings, payable monthly in advance) |
| Rent free period: | two and a half months:<br>1st year – 1 April 2011 to 15 April 2011<br>2nd year – 1 April 2012 to 30 April 2012<br>3rd year – 1 April 2013 to 30 April 2013  |
| Effective Rental: | HK\$156,131.94 per month, exclusive of rates, management fees and all other outgoings, payable monthly in advance   |

Deposit: HK\$590,755.08 which is equivalent to three months' highest rent, management fee and rates

Special condition: The Sub-Tenant has to observe certain terms and conditions as provided in the Tenancy Agreement insofar as not to affect the Property and not to adversely affect and prejudice the rights and interest of the principal tenant.

#### **ANNUAL CAP OF THE SUBLETTING AGREEMENT**

The Annual Cap of ECG for the Subletting Agreement is based on the total annual rental payable with the adjustment of the rent free period under the Subletting Agreement for each of the years ending 30 September 2011, 2012, 2013 and 2014 will be as follows:

|                      | <b>2011</b>        | <b>2012</b>        | <b>2013</b>        | <b>2014</b>        |
|----------------------|--------------------|--------------------|--------------------|--------------------|
|                      | <b><i>HK\$</i></b> | <b><i>HK\$</i></b> | <b><i>HK\$</i></b> | <b><i>HK\$</i></b> |
| Subletting Agreement | 937,000            | 1,874,000          | 1,874,000          | 937,000            |

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

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

The terms of the Tenancy Agreement were arrived at after arm's length negotiation and are on normal commercial terms. The rental of the Tenancy Agreement was determined with reference to the prevailing market rent of similar properties in the nearby locations. The directors of EIHL (including the independent non-executive directors but excluding Ms. Luk Siu Man, Semon, a non-executive director and the Chairperson of EIHL, who had to and did abstain from voting at the board meeting held on 30 March 2011 in view of her material interests in the transaction by virtue of being the sister-in-law of Mr. Michael Yeung) consider that the Tenancy Agreement is on normal commercial terms, in the normal course of business, fair and reasonable and in the interests of EIHL and its shareholders as a whole.

ECG is an investment holding company and its subsidiaries are principally engaged in the provision of financial services, including brokerage services for securities, futures and options, providing margin and initial public offer financings, and placing and underwriting services, corporate finance advisory services and wealth management. The Portion of the Property will be continued to be used as a branch office for ECG.

The terms of the Subletting Agreement were arrived at after arm's length negotiation and are on normal commercial terms. The rental of the Subletting Agreement was determined with reference to the prevailing market rent of similar properties in the nearby locations. The directors of ECG (including the independent non-executive directors but excluding Ms. Daisy Yeung, the Managing Director of ECG, who had to and did abstain from voting at the board meeting held on 28 March 2011 in view of her material interests in the transaction by virtue of being the niece of Mr. Michael Yeung and one of the eligible beneficiaries of the YF Trust) consider that the Subletting Agreement is on normal commercial terms, in the normal course of business, fair and reasonable and in the interests of ECG and its shareholders as a whole.

## **GENERAL**

eDaily System is principally engaged in property investment. Emperor Bullion is principally engaged in the provision of bullion trading services. eDaily Systems is a wholly-owned subsidiary of EIHL, which is indirectly owned as to 69.08% by the AY Trust, a discretionary trust set up by Dr. Albert Yeung. Emperor Bullion is indirectly wholly-owned by the YF Trust, the settlor of which is Mr. Michael Yeung. Mr. Michael Yeung is the brother of Dr. Albert Yeung and the brother-in-law of Ms. Luk Siu Man, Semon, the chairperson of EIHL. As such, Emperor Bullion is a connected person of EIHL under Chapter 14A of the Listing Rules. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for EIHL.

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

Profit Broad is principally engaged in the provision of tenancy agreement signing services to ECG and its subsidiaries. Profit Broad is an indirect wholly-owned subsidiary of ECG, is indirectly owned as to 47.90% by the AY Trust, a discretionary trust set up by Dr. Albert Yeung. Emperor Bullion is indirectly wholly-owned by the YF Trust, the settlor of which is Mr. Michael Yeung. Mr. Michael Yeung is the brother of Dr. Albert Yeung and the uncle of Ms. Daisy Yeung, the Managing Director of ECG. As such, Emperor Bullion is a connected person of ECG under Chapter 14A of the Listing Rules. Accordingly, the Subletting Agreement constitutes a continuing connected transaction for ECG.

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

## TERMS USED IN THIS ANNOUNCEMENT

|                      |   |
|----------------------|---|
| “Annual Cap of EIHL” | the maximum amount of effective rental receivable under the Tenancy Agreement based on the total annual rental receivable with the adjustment of the rent free period under the Tenancy Agreement for each of the years ending 31 March 2012, 2013 and 2014           |
| “Annual Cap of ECG”  | the maximum amount of effective rental payable under the Subletting Agreement based on the total annual rental payable with the adjustment of the rent free period under the Subletting Agreement for each of the years ending 30 September 2011, 2012, 2013 and 2014 |
| “AY Trust”           | The Albert Yeung Discretionary Trust, a discretionary trust set up by Dr. Albert Yeung  |
| “Dr. Albert Yeung”   | Dr. Yeung Sau Shing, Albert   |
| “eDaily Systems”     | eDaily Systems Limited, a limited liability company incorporated in Hong Kong and an indirectly wholly-owned subsidiary of EIHL   |
| “EIHL”               | Emperor International Holdings Limited, an exempt company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange  |
| “ECG”                | Emperor Capital Group Limited, an exempt company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange   |
| “Emperor Bullion”    | Emperor Bullion Investment (Asia) Limited, a limited liability company incorporated in Hong Kong and is indirectly wholly-owned by The Yeung Family Discretionary Trust   |
| “Listing Rules”      | the Rules Governing the Listing of Securities on the Stock Exchange   |
| “Mr. Michael Yeung”  | Mr. Yeung Lik Shing, Michael  |
| “PRC”                | The People’s Republic of China  |
| “Profit Broad”       | Profit Broad Development Limited, a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of ECG  |

|                           |  |
|---------------------------|--|
| “Property”                | Shops 2-6 on G/F, 1/F and canopy adjacent thereto, 2/F, reserved flat roof portion, first and second advertising walls, East Ocean Court, 525 Shanghai Street, Mongkok, Kowloon with a gross floor area of 5,548 sq.ft |
| “Portion of the Property” | Portion of Shop 6 on G/F, 1/F & canopy adjacent thereto and 2/F, East Ocean Court, 525 Shanghai Street, Mongkok, Kowloon with a gross floor area of 4,269 sq.ft  |
| “Subletting Agreement”    | a tenancy agreement dated 31 March 2011 entered into between Emperor Bullion and Profit Broad in relation to the renewal of sub-tenancy of the Portion of the Property   |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited  |
| “Tenancy Agreement”       | a tenancy agreement dated 31 March 2011 entered into between eDaily Systems and Emperor Bullion in relation to the renewal of tenancy of the Property  |
| “YF Trust”                | The Yeung Family Discretionary Trust, a discretionary trust set up by Mr. Michael Yeung  |
| “HK\$”                    | Hong Kong dollars  |
| “sq. ft.”                 | square feet  |
| “%”                       | per cent   |

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

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

Hong Kong, 31 March 2011

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

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

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

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

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

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

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

\* *for identification purposes only*