



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

**EMPEROR CAPITAL GROUP ANNOUNCES 2013/14 INTERIM RESULTS
REVENUE SURGES BY 44% TO HK\$223.8 MILLION**

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DELIVERS IMPRESSIVE GROWTH ACROSS ALL SEGMENTS

Financial Highlights

HK\$'000 (Unaudited)	For the six months ended 31 March		Changes
	2014	2013	
Revenue	223,763	155,847	+43.6%
- Financing	127,797	91,056	+40.3%
- Brokerage	46,513	39,738	+17.0%
- Placing & Underwriting	43,380	21,493	+101.8%
- Corporate Finance	6,073	3,560	+70.6%
Net profit	71,046	53,128	+33.7%
Basic earnings per share	HK2.72 cents	HK2.05 cents	+32.7%
Dividend per share	HK0.60 cent	HK0.50 cent	+20.0%

(Hong Kong, 29 May 2014) **Emperor Capital Group Limited** (the “Group” or “Emperor Capital Group”) (Stock code: 717), a one-stop comprehensive financial services institution in Hong Kong, today announced its interim results for the six months ended 31 March 2014 (the “Period”).

During the Period, the Group achieved outstanding performance across all segments. Despite the volatile market conditions, the Group’s revenue surged 43.6% to HK\$223.8 million (2013: HK\$155.8 million). The increase was mainly attributable to remarkable growth in the financing segment and the placing and underwriting segment. Net profit was HK\$71.0 million (2013: HK\$53.1 million), representing an impressive growth of 33.7%. Basic earnings per share were HK2.72 cents (2013: HK2.05 cents). The Group proposed an interim dividend of HK0.60 cent per share (2013: HK0.5 cent).

Brokerage

During the Period, the average daily turnover on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) was almost flattish year-on-year amid market uncertainties. However, the Group managed to outperform the market and achieve satisfactory growth in brokerage services revenue. During the Period, the segmental revenue increased by 17.0% to HK\$46.5 million (2013: HK\$39.7 million), accounting for 20.8% (2013: 25.5%) of the total revenue.

Currently, the Group operates 12 branches, covering key commercial and pop residential areas with convenient pedestrian access. The Group also runs four liaison offices located at Beijing, Shanghai, Guangzhou and Shenzhen respectively. As a dynamic financial institution, the Group continued to add value for its client by extending its product offerings. In January 2014, the Group introduced an online platform for trading of securities listed on the New York Stock Exchange (NYSE) and the NASDAQ in United States.

In wealth management division, the Group mainly serves the mainland investors who are seeking investments under the Capital Investment Entrant Scheme (the “CIES”), advising a wide array of investment services including securities, mutual funds, insurance-linked products, as well as real estate investment advisory. During the Period, the Group continued to actively source new customers leveraging on its vast connections in mainland and enlarged its customer base in this niche segment. In February 2014, the Group was named as “Excellent Brand of Investment Immigration” in Hong Kong Leaders’ Choice 2014 organised by Metro Finance, affirming its outstanding services in the sector of CIES.

Financing

Thanks to its renowned reputation, widespread network and quality service, the Group’s financing segment grew rapidly in recent years. During the Period, the Group continued to accelerate the expansion of lucrative financing segment. With strong contributions from interest income of short to mid-term loans, the segment once again achieved remarkable revenue growth of 40.3% to HK\$127.8 million (2013: HK\$91.1 million), accounting for 57.1% (2013: 58.4%) of the total revenue.

The loans granted to customers ranged from short-term unsecured loans (e.g. tax loan, bridging loan, term loan, personal loan) to long-term secured loans (e.g. second mortgage loan).

Placing and Underwriting

Fund raising activities, in particular IPOs, regained momentum driven by an overall positive economic outlook and a wave of mega deals of the Chinese state-owned financial institutions in pipeline. During the Period, the Group successfully completed a number of fund raising transactions. Attributable to an increase in fund size participated by the Group, the segmental revenue doubled to HK\$43.4 million (2013: HK\$21.5 million), accounting for 19.4% (2013: 13.8%) of the total revenue.

During the Period, the Group acted as the Lead Manager in the IPO placing of Orient Securities International Holdings Limited which was listed on the GEM board of the Stock Exchange. The Group also participated in the underwriting syndicate in the IPO of China Everbright Bank which was listed on the main board of the Stock Exchange.

Corporate Finance

During the Period, the Hong Kong stock market witnessed a boom of IPOs. Revenue from the corporate finance segment increased significantly to HK\$6.1 million (2013: HK\$3.6 million), accounting for 2.7% (2013: 2.3%) of the total revenue.

Looking ahead, the Group will seek to capture sustaining demand for personal and corporate loans to further strengthen its profitability. In line with the expansion of the financing segment, the Group will diligently monitor risks and control default rate while ensuring its competitive position in the market riding on its quality service, prompt loan application process and flexible repayment terms. Meanwhile, the Group will strengthen loan portfolio management to construct a diversified loan portfolio which achieves a balance between risk and return.

Ms. Daisy Yeung, Managing Director of Emperor Capital Group, said, “Riding on the Group’s precise insights and execution strengths, we have succeeded in developing a robust business model with diversified income streams to withstand an increasingly complex market conditions. Against a backdrop of solid investor base and abundant capital pool, the Hong Kong market lays attractive market opportunities for financial institutions. Backed by sufficient capital resources, we will strive to maximise value for shareholders by optimising capital deployment across business lines and exploring new development opportunities in the years to come.”

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About Emperor Capital Group Limited

Established in 1993, Emperor Capital Group Limited (717.HK) is a renowned Hong Kong based financial institution providing a wide range of financial services 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) provision of margin and IPO financings as well as loans and advances such as personal money lending and second mortgage loan; (iii) placing and underwriting services; and (iv) corporate finance advisory services.

For more information, please visit its website: www.emperorcapi.com

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