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

**CONTINUING CONNECTED TRANSACTIONS**  
**PROVISION OF FINANCIAL SERVICES**

The term of the Previous Yeung Financial Services Agreement and Previous Emperor Group Financial Services Agreement both dated 28 September 2012 in relation to the provision of financial services will expire on 30 September 2015. In order to continue such similar financial services, the Company entered into (i) the 2015 Yeung Financial Services Agreement; and (ii) the 2015 Emperor Group Financial Services Agreement with the relevant parties on 10 September 2015.

The Yeung Family and the Emperor Group are connected persons of the Company under Chapter 14A of the Listing Rules. The transactions contemplated under the 2015 Yeung Financial Services Agreement and the 2015 Emperor Group Financial Services Agreement constitute continuing connected transactions of the Company.

The applicable percentage ratios calculated with reference to each of Yeung Proposed Annual Caps and Emperor Group Proposed Annual Caps exceed 5%, and the respective annual amount exceeds HK\$10 million. Accordingly, the 2015 Yeung Financial Services Agreement, the 2015 Emperor Group Financial Services Agreement, the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps are subject to reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules.

\* for identification purpose only

A circular containing, amongst others, the details of the 2015 Yeung Financial Services Agreement, the 2015 Emperor Group Financial Services Agreement, the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps, a letter of advice from the independent financial adviser, a letter of recommendation from the Independent Board Committee together with a notice convening the SGM will be dispatched to the Shareholders on or before 5 October 2015 in accordance with the requirements of the Listing Rules.

## **BACKGROUND**

Pursuant to the Previous Financial Services Agreements, the Group provides various financial services to the Yeung Family and the listed members of the Emperor Group in accordance with the terms and conditions thereof for the period from 1 October 2012 to 30 September 2015. The term of the Previous Financial Services Agreements will expire on 30 September 2015. As the business scope and scale of the Group have expanded in the recent years, in order for the Group to continue to provide financial services to the Yeung Family and the listed members of the Emperor Group and to cover a wide range of services of the Group, the Company entered into the 2015 Yeung Financial Services Agreement and 2015 Emperor Group Financial Services Agreement on 10 September 2015.

## **THE 2015 YEUNG FINANCIAL SERVICES AGREEMENT**

Pursuant to the 2015 Yeung Financial Services Agreement dated 10 September 2015 entered into between the Company and Ms. Daisy Yeung, the Group has agreed to provide to the members of the Yeung Family (i) brokerage services for securities, futures and options trading; (ii) wealth management and asset management services; (iii) financing services including margin loans, IPO loans and term loans; and (iv) financial advisory services, commencing from 1 October 2015 up to 30 September 2018.

Under the 2015 Yeung Financial Services Agreement, the Group has also agreed to pay commission and fee to the Yeung Family, including (i) the commission and fee for their acting as places or underwriters for the securities of the Company or for the securities underwritten or placed by the Group, and (ii) referral fee for introducing clients to the Group relating to the Group's business, commencing from 1 October 2015 up to 30 September 2018.

Detailed rates and terms will be specified in the individual contracts of each transaction based on the type of services. The rates and terms (including the payment of commission and fee to the Yeung family) will be on normal commercial terms and with reference to the market price and practice, and in any event no more favourable than those available to Independent Third Party.

The provision of the services to Yeung Family under the 2015 Yeung Financial Services Agreement is within the ordinary course of business of the Group.

In determining the annual caps under the 2015 Yeung Financial Services Agreement, the Directors have categorized the transactions under the 2015 Yeung Financial Services Agreement as follows:

- (i) commission, brokerage, fees and interest income to be received from the Yeung Family;
- (ii) margin loans to be provided to the Yeung Family;
- (iii) IPO loans to be provided to the Yeung Family;
- (iv) term loans to be provided to the Yeung Family, such as tax loan, mortgage loan or loan for business or personal needs;
- (v) financial advisory services to be provided to the Yeung Family (including general corporate financial advice such as corporate governance issues, shareholders' dealings in shares, corporate investment and advice on Listing Rules or Takeovers Code); and
- (vi) commission and fee to be paid to the Yeung Family for their acting as placees or underwriters for the securities of the Company or for the securities underwritten or placed by the Group, and/or referral fee for introducing clients to the Group relating to the Group's business.

## Yeung Previous Annual Caps

Set out below are the Yeung Previous Annual Caps obtained for the Previous Yeung Financial Services Agreement:

	<b>Yeung Previous Annual Caps</b>		
	<b>For the financial year ended</b>		
	<b>30 September</b>		
	<b>2013</b>	<b>2014</b>	<b>2015</b>
	<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 the Yeung Family	25,000	25,000	25,000
(ii) Maximum margin loan amount to the Yeung Family	110,000	110,000	110,000
(iii) Maximum IPO loan amount to the Yeung Family	200,000	200,000	200,000
(iv) Maximum term loan amount to the Yeung Family	150,000	150,000	150,000
(v) Financial advisory fee from the Yeung Family	2,500	2,500	2,500
(vi) Commission and fee payment to the Yeung Family for their acting as places for the securities underwritten or placed by the Group	500	500	500
<b>Total</b>	<b>488,000</b>	<b>488,000</b>	<b>488,000</b>

## Historical transactions amounts under the Previous Yeung Financial Services Agreement

Set out below are the historical transaction amounts under the Previous Yeung Financial Services Agreement between the Yeung Family and the Group for the Period:

	For the year ended		For the
	30 September		nine
	2013	2014	months
	HK\$'000	HK\$'000	ended
			30 June
			2015
			HK\$'000
(i) Commission and brokerage on dealing in securities, futures and options trading and interest income from the Yeung Family	3,155	8,926	3,572
(ii) Maximum margin loan amount to the Yeung Family	35,129	27,862	53,908
(iii) Maximum IPO loan amount to the Yeung Family	1,262	12,526	12,062
(iv) Financial advisory fee from the Yeung Family	293	Nil	Nil
(v) Commission and fee payment to the Yeung Family for their acting as placees or underwriters for securities placed or underwritten by the Group (Note)	500	Nil	151

During the Period, no term loan was granted to any members of the Yeung Family. All the Yeung Previous Annual Caps are not exceeded as at the date of this announcement and it is expected that the transaction amounts made up to 30 September 2015 will not exceed the Yeung Previous Annual Caps:

*Note:*

These amounts represent commission paid to the Yeung Family for their acting as placees for the securities of certain independent listed companies which have engaged the Group as placing agents during the Period. These historical amounts did not include those commission paid to the Yeung Family for their acting as underwriters in the following corporate exercises of the Company:

- (i) During the year ended 30 September 2013, HK\$500,000 was paid to Emperor Capital Holdings as underwriting commission relating to the issue of straight bonds of the Company by way of open offer, details of which are set out in the announcement of the Company dated 11 October 2013; and
- (ii) During the nine months ended 30 June 2015, HK\$6.4 million was paid to Emperor Capital Holdings for its role as the underwriter for the rights issue of the Company as announced on 26 March 2015.

These underwriting arrangements between the Company and Emperor Capital Holdings together with the payment of the underwriting commission were connected transactions of the Company and that the Company had duly complied with the relevant requirements under Chapter 14A of the Listing Rules.

## Yeung Proposed Annual Caps

Set out below are the Yeung Proposed Annual Caps for the 2015 Yeung Financial Services Agreement:

	<b>Yeung Proposed Annual Caps</b>		
	<b>For the financial year ending</b>		
	<b>30 September</b>		
	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Commission, brokerage, fees and interest income from the Yeung Family	127,000	131,000	136,000
(ii) Maximum margin loan amount to the Yeung Family	800,000	800,000	800,000
(iii) Maximum IPO loan amount to the Yeung Family	200,000	200,000	200,000
(iv) Maximum term loan amount to the Yeung Family	280,000	280,000	280,000
(v) Financial advisory fee from the Yeung Family	10,000	12,000	15,000
(vi) Commission and fee to the Yeung Family for their services being provided to the Group	<u>31,000</u>	<u>36,000</u>	<u>44,000</u>
Total	<u>1,448,000</u>	<u>1,459,000</u>	<u>1,475,000</u>

In determining the Yeung Proposed Annual Caps for the transactions contemplated under the 2015 Yeung Financial Services Agreement, the following principal factors have been taken into consideration:

(i) Commission, brokerage, fees and interest income from the Yeung Family

- the Yeung Proposed Annual Caps under this category shall include (i) commission and brokerage fees on dealing in securities, futures and options contracts; (ii) commission income from asset management, insurance brokerage and wealth management; and (iii) interest income from financing;
- the Group's commission and brokerage income from dealings in securities, futures and options and interest income from margin, IPO and other financings have increased significantly since the time when the Yeung Previous Annual Caps were determined;
- the expected increase in interest income due to the expected increase in interest rates and the proposed increase in the maximum amount of margin loans and term loans to be advanced to the Yeung Family for the three financial years ending 30 September 2018; and
- the expected improvement in the Group's overall performance in view of the additional capital raised in the recent fund raising exercises and the recent expansion of the business of the Group, in particular the money lending business.

(ii) Maximum margin loan amount to the Yeung Family

- the substantial growth of the Group's interests income from margin loans during the Period reflecting the fact that the margin loan amount advanced during the Period has substantially increased;
- the highest amount of margin loan advanced to individual Independent Third Party has increased significantly since the time when the Yeung Previous Annual Caps were determined;
- the available cash flow and resources for margin loans and the amount to be advanced to each individual client will increase as the Group's liquid capital increases as a result of the recent fund raising exercises of the Company;



- the maximum margin loan amount to be advanced to the Yeung Family is expected to be in line with the highest amount of margin loan advanced to individual Independent Third Party during the Period and it is expected that the amount will increase in the same pattern as individual Independent Third Party; and
- the expected future funding needs of the Yeung Family for capturing potential business opportunities, which includes the need for funding investments in listed shares in Hong Kong and overseas for the three financial years ending 30 September 2018.

(iii) IPO financing to the Yeung Family

- the highest amount of IPO loan advanced to individual Independent Third Party during the Period which indicated the scale of individual IPO loan demand in the market; and
- the annual amount for the year ending 30 September 2015 under the Yeung Previous Annual Caps will remain applicable and it is expected that the same amount will be sufficient for each of the three financial years ending 30 September 2018 as the trading activities of the Yeung Family in the IPO market were not active during the Period.

(iv) Maximum term loan amount to the Yeung Family

- the active expansion of the loan and financing business of the Group in recent years (including expanding into the second mortgage financing) and the Group's active promotion of its money lending business to attract new customers. The amount of loans and advances receivable of the Group as at 31 March 2015 is more than double the amount as at 30 September 2012;
- the highest amount of term loan advanced to individual Independent Third Party has increased significantly since the time when the Yeung Previous Annual Caps were determined;
- the available cash flow and resources for term loans and the amount to be advanced to each individual client will increase as the Group's liquid capital increases as a result of the recent fund raising exercises of the Company;

- the maximum amount of term loan to be granted to the Yeung Family shall be in line with the highest amount of term loan advanced to individual Independent Third Party during the Period and it is expected that the amount will increase in the same pattern as individual Independent Third Party; and
- the expected funding needs of the Yeung Family for capturing potential business opportunities, which includes acquisition of properties or other assets or investment in private companies for the three financial years ending 30 September 2018.

(v) Financial advisory fee from the Yeung Family

- the Group has been providing corporate financial advisory services to members of the Yeung Family in relation to their investment projects, including general financial advice on corporate governance issues, shareholders’ dealings in shares, acquisition of listed securities, advice on Listing Rules or Takeovers Code, and acting as sponsor for the listing of some of the corporate members of the Yeung Family;
- it is expected that the members of the Yeung Family will continue to engage the Group as financial advisor in their investment projects or corporate exercises in the three financial years ending 30 September 2018, particularly in complex transactions such as very substantial acquisitions, general offers and IPOs, and these projects and exercises are expected to increase in size and value as compared to those carried out during the Period, and
- the determination of the cap under this category is with reference to the market price and practice and the expected increase in financial advisory fee in the three financial years ending 30 September 2018.

(vi) Commission and fee to the Yeung Family for their services being provided to the Group

- the Yeung Proposed Annual Caps under this category shall include commissions and fees payable to the Yeung Family (i) for their acting as placees or underwriters for the securities of the Company; (ii) for their acting as underwriters or placees for the securities of other listed companies underwritten or placed by the Group; and (iii) for introducing clients to the Group relating to the Group’s business;

- in addition to acting as underwriters or placees for the securities of listed companies underwritten or placed by the Group, the Yeung Family had acted as underwriter in the fund raising activities of the Company during the Period, details of which are set out in the section “Historical transactions amounts under the Previous Yeung Financial Services Agreement” in this announcement. As the Group’s fund raising activities become more and more active in the recent years, it is expected that members of the Yeung Family will participate in the future fund raising activities of the Company( if any) as placees or underwriters during the three financial years ending 30 September 2018;
- given the market capitalization of the Company has significantly increased in year 2015, the size of fund raising activities of the Company (if any) for the three financial years ending 30 September 2018 is expected to increase when compared with those in the Period. Hence, the commission and fee to Yeung Family for their acting as the underwriter of the future fund raising activities of the Company will increase for the three financial years ending 30 September 2018; and
- as the Group’s business continues to increase in scope and scale, the Directors consider that the referral scheme or arrangement can promote the Group’s branding and the public awareness of the Group’s businesses. Historically, referral fees or rebate were provided to agents or clients for introducing business for the Group’s financing, brokerage, placing and underwriting segments. The Yeung Proposed Annual Caps shall take into account the market rate and the historical rate of referral fee given to Independent Third Parties for business referral by the Yeung Family.

## **2015 EMPEROR GROUP FINANCIAL SERVICES AGREEMENT**

Pursuant to the 2015 Emperor Group Financial Services Agreement dated 10 September 2015 entered into between the Company and AY Holdings, the Group has agreed to provide to the listed members of the Emperor Group (i) brokerage services for securities, futures and options trading; (ii) wealth management and asset management services; (iii) placing and underwriting services; (iv) financing services including margin loans, IPO loans and term loans, and (v) financial advisory services, commencing from 1 October 2015 up to 30 September 2018. Detailed rates and terms will be specified in the individual contracts of each transaction based on the type of services. The rates and terms will be on normal commercial terms with reference to the market price and practice, and in any event no more favourable than those available to Independent Third Party. The provision of the services under the Emperor Group Financial Services Agreement to listed members of the Emperor Group is in the ordinary course of business of the Group.

In determining the annual caps under the 2015 Emperor Group Financial Services Agreement, the Directors have categorized the transactions under the 2015 Emperor Group Financial Services Agreement as follows:

- (i) commission, brokerage, fees and interest income to be received from the listed members of the Emperor Group including placing and underwriting commission from acting as placing agent, underwriter or sub-underwriter;
- (ii) margin loans to be provided to the listed members of the Emperor Group;
- (iii) IPO loans to be provided to the listed members of the Emperor Group;
- (iv) term loans to be provided to the listed members of the Emperor Group; and
- (v) financial advisory services to be provided to the listed members of the Emperor Group (including general corporate financial services such as advice on Listing Rules or Takeovers Code on corporate exercises).

## Emperor Group Previous Annual Caps

Set out below are the Emperor Group Previous Annual Caps obtained for the Previous Emperor Group Financial Services Agreement:

	<b>Emperor Group Previous Annual Caps For the financial year ended 30 September</b>		
	<b>2013</b>	<b>2014</b>	<b>2015</b>
	<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	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>
Total	<u>300,500</u>	<u>300,500</u>	<u>300,500</u>

## Historical transactions amounts under the Previous Emperor Group Financial Services Agreement

Set out below are the historical transaction amounts under the Previous Emperor Group Financial Services Agreement between the listed members of the Emperor Group and the Group for the Period:

	For the year ended		For the
	30 September		nine months
	2013	2014	ended
	HK\$'000	HK\$'000	30 June
			2015
			HK\$'000
(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 Emperor Group	23	28,260	32
(ii) Financial advisory fee from the listed members of the Emperor Group	1,740	1,740	1,875

During the Period, no margin loan, IPO loan or term loan was granted to any listed member of the Emperor Group. All the Emperor Group Previous Annual Caps are not exceeded as at the date of this announcement and it is expected that the transaction amounts made up to 30 September 2015 will not exceed the Emperor Group Previous Annual Caps.

## Emperor Group Proposed Annual Caps

Set out below are the Emperor Group Proposed Annual Caps for the 2015 Emperor Group Financial Services Agreement:

	<b>Emperor Group Proposed Annual Caps For the financial year ending 30 September</b>		
	<b>2016</b>	<b>2017</b>	<b>2018</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
(i) Commission, brokerage and fees and interest income from the listed members of the Emperor Group	258,000	273,000	290,000
(ii) Maximum margin loan amount to the listed members of the Emperor Group	800,000	800,000	800,000
(iii) Maximum IPO loan amount to the listed members of the Emperor Group	160,000	160,000	160,000
(iv) Maximum term loan amount to the listed members of the Emperor Group	280,000	280,000	280,000
(v) Financial advisory fee from the listed members of the Emperor Group	<u>13,000</u>	<u>17,000</u>	<u>20,000</u>
Total	<u>1,511,000</u>	<u>1,530,000</u>	<u>1,550,000</u>

In determining the Emperor Group Proposed Annual Caps for the transactions contemplated under the 2015 Emperor Group Financial Services Agreement, the following principal factors have been taken into consideration:

(i) Commission and interest income from the listed members of the Emperor Group

- the Emperor Group Proposed Annual Caps under the category shall include (i) commission and brokerage fees on dealing in securities, futures and options contracts; (ii) commission income from asset management, insurance brokerage and wealth management; (iii) commission from acting as placing agent, underwriter or sub-underwriter for the securities of the listed members of the Emperor Group; and (iv) interest income from financing;
- the Group has been acting as placing agents/underwriters for the listed members of the Emperor Group and the amount of commission income for placing, underwriting and sub-underwriting services is expected to increase as (i) the amount of fund raised by the listed members of the Emperor Group is expected to increase in view of their respective net asset values which have increased substantially during the Period and (ii) the capital market will remain active in the forthcoming years; and
- the expected increase in interest income due to the expected increase in interest rates and the proposed increase in the maximum amount of margin loans and term loans to be advanced to the listed members of the Emperor Group for the three financial years ending 30 September 2018.

(ii) Maximum margin loan amount to the listed members of the Emperor Group

- the substantial growth of the Group's interests income from margin loans during the Period reflecting the fact that the margin loan amount advanced during the Period has substantially increased;
- the highest amount of margin loan amount advanced to individual Independent Third Party has increased significantly since the time when the Emperor Group Previous Annual Caps were determined;
- the available cash flow and resources for margin loans and the amount to be advanced to each individual client will increase as the Group's liquid capital increases as a result of the recent fund raising exercises of the Company;



- the maximum margin loan amount to be advanced to the listed members of the Emperor Group is expected to be in line with the highest amount of margin loan advanced to individual Independent Third Party during the Period and it is expected that the amount will increase in the same pattern as individual Independent Third Party, and
- the expected future funding needs of the listed members of the Emperor Group for business expansion and capturing potential business opportunities, which includes the need for funding investments in other listed shares in Hong Kong or overseas for the three financial years ending 30 September 2018.

(iii) IPO financing to the listed members of the Emperor Group

- the highest amount of IPO loan advanced to individual Independent Third Party during the Period which indicated the scale of individual IPO loan demand in the market; and
- the maximum amount of IPO loan to be granted to the listed members of the Emperor Group shall be in line with the highest amount of IPO loan advanced to individual Independent Third Party during the Period.

(iv) Maximum term loan amount to the listed members of the Emperor Group

- the active expansion of the loan and financing business of the Group in recent years (including expanding into the second mortgage financing) and the Group's active promotion of its money lending business to attract new customers. The amount of loans and advances receivable of the Group as at 31 March 2015 is more than double the amount as at 30 September 2012;
- the highest amount of term loan advanced to individual Independent Third Party has increased significantly since the time when the Emperor Group Previous Annual Caps were determined;
- the available cash flow and resources for term loans and the amount to be advanced to each individual client will increase as the Group's liquid capital increases as a result of the recent fund raising exercises of the Company;

- the maximum amount of term loan to be granted to the listed members of the Emperor Group shall be in line with the highest amount of term loan advanced to individual Independent Third Party during the Period and it is expected that the amount will increase in the same pattern as individual Independent Third Party; and
  - the expected future funding needs of the listed members of the Emperor Group for business expansion and capturing potential business opportunities, which includes the need for funding investments in private companies, properties or other assets for the three financial years ending 30 September 2018.
- (v) Financial advisory fee from the listed members of the Emperor Group
- the Group has been providing corporate financial advisory services to the listed members of the Emperor Group, including providing advices on Listing Rules and/or Takeovers Code on various fund raising activities and corporate exercises during the Period;
  - it is expected that the listed members of the Emperor Group will continue to engage the Group as financial advisor on project basis, particularly in complex transactions such as very substantial acquisitions, general offers and IPOs as well as annual retainer basis for the three financial years ending 30 September 2018, and
  - the historical amount of advisory fee received from the listed members of the Emperor Group, the market price and practice and the expected increase in financial advisory fee in the three financial years ending 30 September 2018.

## **REASONS FOR THE PROPOSED FINANCIAL SERVICES AGREEMENTS**

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) commercial and personal lending as well as margin and IPO financing; (ii) brokerage, wealth management and asset management; (iii) placing and underwriting services for listed issuers; and (iv) corporate finance advisory services.

In June and July 2015, the Company has completed a number of fund raising activities (including rights issue, placing and subscription of new Shares) and net proceeds of approximately HK\$1,714.1 million were raised. The Group has been actively seeking new business opportunities and expanding its existing businesses, especially for the money

lending business. The Directors considered that the entering into of the 2015 Yeung Financial Services Agreement and the 2015 Emperor Group Financial Services Agreement allows flexibility of the Group to continue to provide the financial services to the Yeung Family and the listed members of the Emperor Group. The increase in the cap amount and the scope of services under the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps allows the Group to participate in the corporate exercise and/or the investment opportunities of its clients in a timely manner which is beneficial to the Group's revenue and such increase is in line with the robust development of the Group's business during these few years. The Directors (excluding the independent non-executive Directors who shall form their views in the letter from the Independent Board Committee to be set out in the circular) considered that the 2015 Yeung Financial Services Agreement and the 2015 Emperor Group Financial Services Agreement are on normal commercial terms, in the ordinary course of business of the Group, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

Ms. Daisy Yeung is the managing director of the Company. As such, the transactions contemplated under the 2015 Yeung Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The applicable percentage ratios calculated with reference to the Yeung Proposed Annual Caps exceed 5%, and the annual amount exceeds HK\$10 million. Accordingly, the 2015 Yeung Financial Services Agreement and the Yeung Proposed Annual Caps are subject to reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules.

The Company is owned as to approximately 44.28% by Emperor Capital Holdings which is wholly-owned by AY Holdings, a substantial shareholder of the Company. As such, the Emperor Group is defined as connected person under 14A of the Listing Rules. AY Holdings is an investment holding company and incorporated in the British Virgin Islands.

The applicable percentage ratios calculated with reference to the Emperor Group Proposed Annual Caps exceed 5%, and the annual amount exceeds HK\$10 million. Accordingly, the 2015 Emperor Group Financial Services Agreement and the Emperor Group Proposed Annual Caps are subject to reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules.

An Independent Board Committee comprising all the independent non-executive Directors has been established to make recommendations to the Independent Shareholders in respect of the 2015 Yeung Financial Services Agreement, the Yeung Proposed Annual Caps, the 2015 Emperor Group Financial Services Agreement and the Emperor Group Proposed Annual Caps.

A circular containing, amongst others, the details of the 2015 Yeung Financial Services Agreement, the 2015 Emperor Group Financial Services Agreement, the Yeung Proposed Annual Caps and the Emperor Group Proposed Annual Caps, a letter of advice from the independent financial adviser, a letter of recommendation from the Independent Board Committee, together with a notice convening the SGM will be dispatched to the Shareholders on or before 5 October 2015 in accordance with the requirements of the Listing Rules.

## **TERMS USED IN THIS ANNOUNCEMENT**

“associate”	has the meaning ascribed thereto under the Listing Rules
“AY Holdings”	Albert Yeung Holdings Limited, an investment holding company incorporated in the British Virgin Islands and is the controlling shareholder (as defined under the Listing Rules) of the Company by virtue of its interests in the Shares through Emperor Capital Holdings
“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”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Emperor Capital Holdings”	Emperor Capital Group Holdings Limited, a company wholly and directly owned by AY Holdings and is interested in 44.28% of the issued shares of the Company as at the date of this announcement. Emperor Capital Holdings is a member of the Yeung Family
“Emperor Group”	AY Holdings, its subsidiaries and associates

“Emperor Group Previous Annual Caps”	the previously obtained annual caps of the transactions contemplated under the Previous Emperor Group Financial Services Agreement for each of the three financial years ending 30 September 2015
“Emperor Group Proposed Annual Caps”	the annual caps for the transactions contemplated under the 2015 Emperor Group Financial Services Agreement for each of the three financial years ending 30 September 2018
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People Republic of China
“Independent Shareholders”	Shareholders other than Ms. Daisy Yeung, Emperor Capital Holdings and their respective associates
“Independent Board Committee”	the independent committee of the Board formed to advise the Independent Shareholders in respect of the 2015 Yeung Financial Services Agreement, the Yeung Proposed Annual Caps, the 2015 Emperor Group Financial Services Agreement and the Emperor Group Proposed Annual Caps
“Independent Third Parties”	independent third parties who are not connected persons of the Company as defined in the Listing Rules and are independent of the Company and the connected persons of the Company
“IPO”	initial public offering
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Period”	two years ended 30 September 2014 and the nine months ended 30 June 2015
“Previous Emperor Group Financial Services Agreement”	an agreement dated 28 September 2012 entered into between the Company and AY Holdings in relation to the financial services provided by the Group to the listed members of the Emperor Group

“Previous Financial Services Agreements”	Previous Yeung Financial Services Agreement and Previous Emperor Group Financial Services Agreement
“Previous Yeung Financial Services Agreement”	an agreement dated 28 September 2012 entered into between the Company and Ms. Daisy Yeung in relation to the financial services provided by the Group to the Yeung Family
“SGM”	the special general meeting of the Company to be convened to consider and approve, if thought fit, the 2015 Yeung Financial Services Agreement, the Yeung Proposed Annual Caps, the 2015 Emperor Group Financial Services Agreement and the Emperor Group Proposed Annual Caps
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Takeovers Code”	The Code on Takeovers and Mergers as amended from time to time issued by the Securities and Futures Commission of Hong Kong
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yeung Family”	Ms. Daisy Yeung, the managing director of the Company, and her associates, but exclude the listed members of the Emperor Group
“Yeung Previous Annual Caps”	the previously obtained annual caps of the transactions contemplated under the previous Yeung Financial Services Agreement for each of the three financial years ending 30 September 2015
“Yeung Proposed Annual Caps”	the annual caps for the transactions contemplated under the 2015 Yeung Financial Services Agreement for each of the three financial years ending 30 September 2018

“2015 Emperor Group Financial Services Agreement”	an agreement dated 10 September 2015 entered into between the Company and AY Holdings in relation to the provision financial services between the Group and the listed members of the Emperor Group
“2015 Yeung Financial Services Agreement”	an agreement dated 10 September 2015 entered into between the Company and Ms. Daisy Yeung in relation to the provision financial services between the Group and the Yeung Family
“HK\$”	Hong Kong dollars
“%”	per cent

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

Hong Kong, 10 September 2015

*As at the date of this announcement, the board of Directors comprises:*

*Executive Directors:*

Ms. Daisy Yeung  
Mr. Chan Shek Wah  
Ms. Choi Suk Hing, Louisa  
Ms. Pearl Chan

*Independent Non-Executive Directors:*

Mr. Chu Kar Wing  
Mr. Poon Yan Wai  
Ms. Wan Choi Ha