

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase, or subscribe for securities.



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

(Incorporated in Bermuda with limited liability)

(Stock Code: 717)

**(I) PROPOSED RIGHTS ISSUE
ON THE BASIS OF TWO RIGHTS SHARES FOR
EVERY ONE EXISTING SHARE HELD
ON THE RECORD DATE;
(II) APPLICATION FOR WHITEWASH WAIVER;
AND
(III) RESUMPTION OF TRADING**

Underwriters

Chung Nam Securities Limited

Win Move Group Limited

(I) PROPOSED RIGHTS ISSUE

The Company proposes to raise approximately HK\$585.3 million before expenses, by issuing 1,731,622,544 Rights Shares (assuming (i) none of the Outstanding Share Options has been exercised; (ii) the Issue Mandate Limit is not utilized and (iii) no other issue of Shares, on or before the Record Date) to the Qualifying Shareholders by way of the Rights Issue at the subscription price of HK\$0.338 per Rights Share on the basis of two Rights Shares for every one existing Share held on the Record Date.

The Company intends to apply such net proceeds from the Rights Issue for working capital for the existing businesses of the Group and future business development of the Group.

* *for identification purposes only*

As at the date of this announcement, Win Move, the Controlling Shareholder of the Company, is beneficially interested in 414,728,302 Shares, representing approximately 47.90% of the issued share capital of the Company. Win Move has provided the Irrevocable Undertaking dated 31 May 2011 to the Company, undertaking, among other things, that Win Move will not dispose of its Shares up to the Record Date. Win Move has further agreed to (i) accept its respective entitlement to the provisional allotment of 829,456,604 Rights Shares as at the date of the Underwriting Agreement; and (ii) make payment in full in respect of its respective acceptance in cash (whether by cheque, bank cashier's order or such other form as the Company may approve), by no later than 4:00 p.m. on the Latest Acceptance Date in accordance with the acceptance instructions contained in the Prospectus Documents.

Win Move has further conditionally agreed to underwrite 702,165,940 Rights Shares pursuant to the Underwriting Agreement. Details of the major terms and conditions of the Underwriting Agreement are set out in the section headed "The Underwriting Agreement" in this announcement.

The Rights Issue is conditional, inter alia, upon fulfillment of the conditions set out under the section headed "Conditions of the Rights Issue". In particular, the Rights Issue is subject to the Underwriters not terminating the Underwriting Agreement in accordance with the terms set out under the section headed "Termination of the Underwriting Agreement". Accordingly the Rights Issue may or may not proceed. Any Shareholders or potential investors contemplating selling or purchasing Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Shares could not become unconditional and may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

Win Move is a Controlling Shareholder of the Company and is therefore a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement (including the payment of the underwriting commission) constitutes a connected transaction under Chapter 14A of the Listing Rules but are, pursuant to Rule 14A.31(2) (in respect of the payment of the underwriting commission) and Rule 14A.31(3)(c) (in respect of the allotment and issue of the Underwritten Shares) of the Listing Rules, exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

On the other hand, in accordance with Rule 7.19(6) of the Listing Rules, the Rights Issue must be made conditional on approval by Shareholders in general meeting by a resolution on which any Controlling Shareholders and their associates or, where there are no Controlling Shareholders, Directors

(excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue. To the best of the Company's information and belief after having made reasonable enquiries, as at the date of this announcement, Win Move, the Controlling Shareholder of the Company, is beneficially interested in 414,728,302 Shares, representing approximately 47.90% of the issued share capital of the Company. Accordingly, Win Move and its respective associates are required to abstain from voting in favour of the Rights Issue at the SGM.

An independent board committee of the Company comprising all the independent non-executive Directors has been established to make recommendations to the Independent Shareholders in respect of the Rights Issue. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details about the proposed Rights Issue; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders on the Rights Issue; and (iv) the notice convening the SGM, will be despatched to the Shareholders as soon as practicable.

(II) APPLICATION FOR WHITEWASH WAIVER

Pursuant to the Underwriting Agreement, Win Move has provided the Irrevocable Undertaking dated 31 May 2011 to the Company, undertaking, among other things, that Win Move will not dispose of its Shares up to the Record Date. Win Move has further agreed to (i) accept its respective entitlement to the provisional allotment of 829,456,604 Rights Shares as at the date of the Underwriting Agreement; and (ii) make payment in full in respect of its respective acceptance in accordance with the acceptance instructions contained in the Prospectus Documents. Win Move has further conditionally agreed to underwrite 702,165,940 Rights Shares pursuant to the Underwriting Agreement. In the event that Win Move is called upon to subscribe for the underwritten Rights Shares pursuant to its obligations under the Underwriting Agreement, the shareholding of Win Move and parties acting in concert with it in the Company would increase from approximately 47.90% of the existing issued share capital of the Company to a maximum of approximately 74.93% (assuming (i) none of the Outstanding Share Options has been exercised; (ii) the Issue Mandate Limit is not utilized and (iii) no other issue of Shares, on or before the Record Date) of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue. Under Rule 26 of the Takeovers Code, the undertaking and the underwriting in respect of the Rights Shares by Win Move will trigger an obligation on Win Move and parties acting in concert with it to make a mandatory general offer for all the issued Shares not already owned or agreed to be subscribed by them.

An application will be made by Win Move to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted, will be subject to the approval of the Independent Shareholders on a vote taken by way of a poll at the SGM and such other condition(s) as may be imposed by the Executive. Win Move, its associates, parties acting in concert with any of them, and all parties who are involved in or interested in the Underwriting Agreement and/or the Whitewash Waiver will abstain from voting on the proposed resolution(s) approving the Rights Issue, the Underwriting Agreement and the Whitewash Waiver at the SGM. If the Whitewash Waiver is not granted by the Executive or not approved by the Independent Shareholders, the Rights Issue will not become unconditional and will not proceed.

Accordingly, if the Whitewash Waiver is not obtained, the Rights Issue will lapse and will not proceed. The Shareholders and potential investors of the Company should note that completion of the Underwriting Agreement is conditional and may or may not proceed. The Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

(III) RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:00 a.m. on 31 May 2011 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 3 June 2011.

PROPOSED RIGHTS ISSUE

ISSUE STATISTICS

Basis of the Rights Issue:	Two Rights Shares for every one existing Shares held on the Record Date
Number of Shares in issue:	865,811,272 Shares as at the date of this announcement
Number of Rights Shares:	1,731,622,544 Rights Shares (assuming no further Shares will be issued prior to the Record Date)
Subscription Price:	HK\$0.338 per Rights Share with nominal value of HK\$0.01 each

As at the date of this announcement, there are Outstanding Share Options held by Ms. Daisy Yeung, the Managing Director of the Company, to subscribe for an aggregate of 3,000,000 Shares. As at the date of this announcement, Ms. Yeung has signed an irrevocable undertaking to the Company and pursuant to such undertaking, Ms. Yeung has undertaken with the Company that she shall not exercise any of her conversion right under the Outstanding Share Options up to and including 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.

Assuming no Outstanding Share Options being exercised and the Issue Mandate Limit not being utilized on or before the Record Date, the 1,731,622,544 nil-paid Rights Shares proposed to be provisionally allotted represent 200% of the Company's issued share capital as at the date of this announcement and approximately 66.67% of the Company's issued share capital as enlarged by the issue of the 1,731,622,544 Rights Shares.

QUALIFYING SHAREHOLDERS

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.

In order to be registered as members of the Company at the close of business on the Record Date, owners of Shares must lodge any transfers of Shares (together with the relevant share certificates) with the Company's branch share registrar in Hong Kong, Trior Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 8 July 2011.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 11 July to 13 July 2011, both dates inclusive. No transfer of Shares will be registered during this period.

RIGHTS OF OVERSEAS SHAREHOLDERS

As at the date of this announcement, the Company has certain Shareholders whose addresses as shown on the register of members are located outside Hong Kong. The Company will ascertain on the Record Date whether there is any Shareholder whose address as shown on the register of members is outside Hong Kong. In determining who will be the Non-Qualifying Shareholders on the Record Date, the Company will make enquiry regarding the legal restrictions (if any) under the laws of the relevant places and

the requirements of the relevant regulatory bodies or stock exchanges for the Company's offering the Rights Shares to the Non-Qualifying Shareholders in compliance with the Listing Rules. Further details regarding the Non-Qualifying Shareholders will be set out in the Circular and the Prospectus.

Arrangements will be made for as many as possible of the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The Company will then distribute such proceeds in Hong Kong dollars to the Non-Qualifying Shareholders pro rata (but rounded down to the nearest cent) to their shareholdings on the Record Date, except that individual amount of less than HK\$100 shall not be so distributed but shall be retained for the benefit of the Company. Any such nil-paid Rights Shares remaining unsold at the Latest Time for Acceptance shall be made available for excess application.

SUBSCRIPTION PRICE

The Subscription Price for the Rights Shares is HK\$0.338 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 or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (a) a discount of approximately 39.64% to the closing price of HK\$0.56 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 17.96% to the theoretical ex-rights price of approximately HK\$0.412 per Share based on the closing price of HK\$0.56 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (c) a discount of approximately 38.99% to the average closing price of approximately HK\$0.554 per Share for the five consecutive trading days up to and including the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriters with reference to the prevailing market price and trading liquidities of the Shares prior to the Last Trading Day. The Directors (excluding the independent non-executive Directors who will give their view on the Rights Issue after taking into account the advice of the independent financial adviser) consider the terms of the Rights Issue, including the Subscription Price which has been set as 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 to the Company upon full acceptance of the relevant provisional allotment of Rights Shares will be approximately HK\$0.334.

BASIS OF PROVISIONAL ALLOTMENT

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

STATUS OF THE 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 are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

APPLICATION FOR EXCESS RIGHTS SHARES

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Non-Qualifying Shareholders and for any Rights Shares provisionally allotted but not accepted.

Applications for excess Rights Shares may be made by completing the EAFs for application for excess Rights Shares 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 pro-rata basis to the number of excess Rights Shares applied for and round down to the nearest whole number of Rights Share.

Shareholders with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Shareholders with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

Shareholders whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on 8 July 2011.

SHARE CERTIFICATES AND REFUND CHEQUES FOR RIGHTS ISSUE

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before 5 August 2011. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before 5 August 2011 by ordinary post to the applicants at their own risk.

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 the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms 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.

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 or any other applicable fees and charges in Hong Kong.

CONDITIONS OF THE RIGHTS ISSUE

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

- (I) the Company despatching the Circular to the Shareholders;
- (II) the Independent Shareholders having passed the necessary ordinary resolution(s) by poll at the SGM approving the Rights Issue, the Whitewash Waiver, the Underwriting Agreement and any transactions contemplated therein in accordance with the Listing Rules, the Takeovers Code and the constitutional documents of the Company;
- (III) the Whitewash Waiver having been obtained from the SFC and such Whitewash Waiver not having been revoked prior to the Latest Time for Termination;
- (IV) the Listing Committee having granted or having agreed to grant in principle the listing of, and permission to deal in, all of the Rights Shares (in both nil-paid and fully-paid forms) prior to the first day of dealings of nil-paid Rights Shares on the Stock Exchange commence as set out in the Prospectus, and such listing and permission not subsequently being revoked or withdrawn prior to the Latest Time for Termination;

- (V) the filing and registration of all the Prospectus Document with the Registrar of Companies in Hong Kong in order to lawfully effect the Rights Issue on or before the Posting Date;
- (VI) the posting of the Prospectus Documents to the Qualifying Shareholders on the Posting Date;
- (VII) the Underwriting Agreement not being terminated by the Underwriters pursuant to the terms thereof prior to the Latest Time for Termination;
- (VIII) if required, the Bermuda Monetary Authority granting consent to the issue of the Rights Shares on or before the Posting Date; and
- (IX) the Company complying with all its obligations under the Underwriting Agreement.

Condition precedent (IX) can be waived by the Underwriters. Save as aforesaid, all other conditions precedent cannot be waived by any party to the Underwriting Agreement.

If any of the above conditions precedent is not satisfied and/or waived at or prior to the respective time and dates specified therein (or such other time as may be extended by the Underwriters (as permitted under the relevant legal and regulatory requirements), the Underwriting Agreement shall be automatically terminated. In that event, all obligations of the parties to the Underwriting Agreement shall cease and neither party shall have any claim against any other party for costs, damages, compensation or otherwise, and the Rights Issue will not proceed.

THE UNDERWRITING AGREEMENT

On 31 May 2011, Win Move, Chung Nam and the Company entered into the Underwriting Agreement, details of which are set out below.

Date : 31 May 2011

Underwriters : Win Move and Chung Nam. Win Move is the Controlling Shareholder of the Company and to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Chung Nam and its ultimate beneficial owners are Independent Third Parties.

Total number of Rights Shares being underwritten by the Underwriters : 902,165,940 Shares (being the total number of Rights Shares to be issued less the Shares subject to the Irrevocable Undertaking) will be underwritten by the Underwriters in the following manner:

- (i) Win Move shall underwrite the first 702,165,940 Rights Shares not taken up by the Qualifying Shareholders; and
- (ii) Chung Nam shall underwrite the balance of the Rights Shares not taken up by the Qualifying Shareholders up to a maximum of 200,000,000 Rights Shares

Commission : Each Underwriter receives 2% of the aggregate Subscription Price of their respective Underwritten Shares as determined on the Record Date

Win Move does not underwrite issues of securities in its ordinary course of business.

The commission rate was determined after arm's length negotiation between the Company and the Underwriters by reference to the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Directors (excluding the independent non-executive Directors who will give their view on the Rights Issue after taking into account the advice of the independent financial adviser) consider 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 OF WIN MOVE

As at the date of this announcement, Win Move, the Controlling Shareholder of the Company, is beneficially interested in 414,728,302 Shares, representing approximately 47.90% of the issued share capital of the Company. Win Move has provided the Irrevocable Undertaking dated 31 May 2011 to the Company, undertaking, among other things, that Win Move will not dispose of its Shares up to the Record Date. Win Move has further agreed to (i) accept its respective entitlement to the provisional allotment of 829,456,604 Rights Shares as at the date of the Underwriting Agreement; and (ii) make payment in full in respect of its respective acceptance in accordance with the acceptance instructions contained in the Prospectus Documents.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriters may terminate the arrangements set out in the Underwriting Agreement by notice in writing to the Company at any time prior to the Latest Time for Termination if there occurs any of the following events:

- (a) in the absolute opinion of the Underwriters, the success of the Rights Issue would be materially and adversely affected by:
- (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 which may in the absolute opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; 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 or continuing before, and/or after the date of the Underwriting Agreement, of a political, financial, economic currency, market or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (iii) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
 - (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the absolute opinion of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
 - (v) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
 - (vi) the commencement by any third party of any litigation or claim against any member of the Group which is or might be material to the Group taken as a whole; or
- (b) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions which includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the absolute opinion of the Underwriters make it inexpedient or inadvisable to proceed with the Rights Issue; or

- (c) the Circular or the Prospectus when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which in the absolute opinion of the Underwriters is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue or might cause a prudent investor not to accept the Rights Shares provisionally allotted to it.

If, at or prior to the Latest Time for Termination,

- (i) any material breach of any of the warranties or undertakings of the Company under the Underwriting Agreement comes to the knowledge of the Underwriters;
- (ii) any Specified Event comes to the knowledge of the Underwriters; or
- (iii) any breach of the irrevocable undertakings of Win Move in respect of the Rights Shares,

the Underwriters shall also be entitled by notice in writing to the Company prior to the Latest Time for Termination to terminate the Underwriting Agreement and the obligations of all parties under the Underwriting Agreement shall terminate forthwith.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

The Shares will be dealt in on an ex-rights basis from 7 July 2011. Dealings in the Rights Shares in the nil-paid form will take place from 18 July 2011. If the conditions of the Underwriting Agreement are not fulfilled or the Underwriting Agreement is terminated by the Underwriters, the Rights Issue will not proceed.

Any Shareholders or other persons contemplating selling or purchasing Rights Shares in their nil-paid form during the period from 18 July 2011 to 25 July 2011 (both dates inclusive) who are in any doubt about their position are recommended to consult their professional advisers. Any Shareholders or other persons dealing in the 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 Underwriters' right of termination of the Underwriting Agreement ceases) and any persons dealing in the nil-paid Rights Shares during the period from 18 July 2011 to 25 July 2011 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

EXPECTED TIMETABLE

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

2011
(Hong Kong time)

Despatch of circular with notice of SGM	Thursday, 23 June
Last day of dealings in the Shares on a cum-rights basis.....	Wednesday, 6 July
First day of dealings in the Shares on an ex-rights basis	Thursday, 7 July
Latest time for lodging transfer of Shares in order to be qualified for the Rights Issue.....	4:30 p.m. on Friday, 8 July
Register of members closes (both dates inclusive)	Monday, 11 July to Wednesday, 13 July
Latest time for lodging proxies	10:30 a.m. on Monday, 11 July
SGM	10:30 a.m. on Wednesday, 13 July
Announcement of poll results of SGM.....	Wednesday, 13 July
Record Date	Wednesday, 13 July
Register of members for the share re-opens	Thursday, 14 July
Prospectus Documents expected to be despatched.....	Thursday, 14 July
First day of dealings in nil-paid Rights Shares	Monday, 18 July
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Wednesday, 20 July
Last day of dealings in nil-paid Rights Shares	Monday, 25 July
Latest time for acceptance of and payment for Rights Shares and application and payment for excess Rights Shares	4:00 p.m. on Thursday, 28 July
Latest time for the termination of the Underwriting Agreement	4:00 p.m. on Tuesday, 2 August
Announcement of results of acceptance and excess application of the Rights Issue	Thursday, 4 August

2011
(Hong Kong time)

Refund cheques in respect of wholly and partially unsuccessful applications for excess Rights Shares expected to be posted on or before Friday, 5 August

Certificates for the Rights Shares expected to be despatched on or before Friday, 5 August

Dealings in fully-paid Rights Shares commence 9:00 a.m. on Tuesday, 9 August

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines 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.

SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming no further changes in the issued share capital of the Company, on or before the Record Date, set out below is the shareholding structure of the Company from the date of this announcement to immediately after completion of the Rights Issue:

Shareholders	As at the date of this announcement		Immediately after completion of the Rights Issue			
			Assuming all Shareholders take up all the Rights Shares		Assuming Win Move and Chung Nam take up all the Rights Shares in accordance with their underwriting commitment under the Underwriting Agreement	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Win Move (Note 1)	414,728,302	47.90	1,244,184,906	47.90	1,946,350,846	74.93
Subtotal of shareholding held by Win Move and parties acting in concert	414,728,302	47.90	1,244,184,906	47.90	1,946,350,846	74.93
Chung Nam	-	-	-	-	200,000,000	7.70
Public Shareholders	451,082,970	52.10	1,353,248,910	52.10	451,082,970	17.37
Total	865,811,272	100	2,597,433,816	100	2,597,433,816	100.00

Note:

1. The Shares are beneficially held by Win Move, the entire issued share capital of which is indirectly held by STC International Limited, being the trustee of the Albert Yeung Discretionary Trust, a trust of which Dr. Yeung Sau Shing, Albert is the founder.
2. As at the date of this announcement, the Share Option holder has signed an irrevocable undertaking to the Company and pursuant to such undertaking, the Share Option holder has undertaken with the Company that she shall not exercise any of her conversion right under the Outstanding Share Options up to and including the Record Date.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment company and its subsidiaries are principally engaging in the provision of financial services in Hong Kong, including (i) brokerage services for securities, futures and options, (ii) providing margin and IPO financings as well as loans and advances to its clients, and (iii) corporate finance advisory and wealth management services.

The Directors consider that the Rights Issue, which is on a fully underwritten basis, will allow the Group to (i) strengthen its financial position without having to incur interest expenses as compared to debt financing; (ii) increase the capital base of the Company for future business development; and (iii) provide funding to capture suitable investment opportunities when arises. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company, hence the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

The gross proceeds of the Rights Issue will be approximately HK\$585.3 million while the estimated net proceeds of the Rights Issue will be approximately HK\$578.4 million respectively. The Company intends to apply such net proceeds from the Rights Issue for working capital for the existing businesses of the Group and future business development of the Group.

No fund raising exercise was carried out during the twelve months period immediately preceding the date of this announcement.

WHITEWASH WAIVER

As at the date of this announcement, Win Move, the Controlling Shareholder of the Company, is beneficially interested in 414,728,302 Shares, representing approximately 47.90% of the voting rights of the Company. Pursuant to the Underwriting Agreement, Win Move has provided the Irrevocable Undertaking dated 31 May 2011 to the Company, undertaking among other things, that Win Move will not dispose of its Shares up to the Record Date. Win Move has further agreed to (i) accept its respective entitlement to the provisional allotment of 829,456,604 Rights Shares as at the date of the Underwriting Agreement; and (ii) make payment in full in respect of its respective

acceptance in accordance with the acceptance instructions contained in the Prospectus Documents. Win Move has further conditionally agreed to underwrite 702,165,940 Rights Shares pursuant to the Underwriting Agreement. In the event that Win Move is called upon to subscribe for the underwritten Rights Shares pursuant to its obligations under the Underwriting Agreement, the shareholding of Win Move and parties acting in concert with it in the Company would increase from approximately 47.90% of the voting rights of the Company to a maximum of approximately 74.93%. Under Rule 26 of the Takeovers Code, the acquisition of the voting rights under such circumstances will trigger a mandatory general offer for all the securities of the Company other than those already owned or agreed to be acquired by the Concert Group, unless, among others, the Whitewash Waiver is obtained from the Executive and approved by the Independent Shareholders by way of poll. An application will be made by Win Move to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted, will be subject to the approval of the Independent Shareholders on a vote taken by way of a poll at the SGM and such other condition(s) as may be imposed by the Executive. Win Move, its associates and parties acting in concert with any of them, and all parties who are involved in or interested in the proposed Rights Issue, Underwriting Agreement and/or the Whitewash Waiver will abstain from voting on the proposed resolutions approving the Rights Issue, the Underwriting Agreement and the transactions contemplated thereunder and the Whitewash Waiver at the SGM. If the Whitewash Waiver is not granted by the Executive or not approved by the Independent Shareholders, the Rights Issue will not become unconditional and will not proceed.

Save as disclosed in the section headed “Shareholding structure of the Company” above and the 3,000,000 Outstanding Share Options held by Ms. Daisy Yeung, the Managing Director of the Company, none of the parties in the Concert Group own, control or direct any Shares, convertible securities, warrants, options or derivatives in respect of the Shares as at the date of this announcement, and there is no outstanding derivative in respect of securities in the Company which has been entered into by any of the parties in the Concert Group as at the date of this announcement.

Save for the entering into of the Underwriting Agreement, none of the parties in the Concert Group has dealt in the securities of the Company in the six-month period prior to and including the date of this announcement.

Save for the transactions contemplated under the Underwriting Agreement, as at the date of this announcement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares which might be material to the Underwriting Agreement and/or the Rights Issue and/or the Whitewash Waiver as at the date of this announcement.

As at the date of this announcement, no party in the Concert Group has received any irrevocable commitment to vote in favour of or against the Underwriting Agreement and/or the Rights Issue and/or the Whitewash Waiver.

As at the date of this announcement, save for the Underwriting Agreement, there is no agreement or arrangement to which the Underwriters are the party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Underwriting Agreement and/or the Rights Issue and/or the Whitewash Waiver.

None of the parties in the Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company as at the date of this announcement.

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.

LISTING RULES IMPLICATIONS

Win Move is a Controlling Shareholder of the Company and is therefore a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement (including the payment of the underwriting commission) constitutes a connected transaction under Chapter 14A of the Listing Rules but are, pursuant to Rule 14A.31(2) (in respect of the payment of the underwriting commission) and Rule 14A.31(3)(c) (in respect of the allotment and issue of the Underwritten Shares) of the Listing Rules, exempt from the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Rights Issue will be carried out in compliance with Rule 7.21(1) of the Listing Rules.

On the other hand, in accordance with Rule 7.19(6) of the Listing Rules, the Rights Issue must be made conditional on approval by Shareholders in general meeting by a resolution on which any Controlling Shareholders and their associates or, where there are no Controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the Rights Issue.

An independent board committee of the Company comprising all the independent non-executive Directors has been established to make recommendations to the Independent Shareholders in respect of the Rights Issue. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders in this regard.

A SGM will be convened and held for the Shareholders to consider and if thought fit to approve the proposed Rights Issue. A circular containing, among other things, (i) further details about the proposed Rights Issue; (ii) a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in respect of the Rights Issue; (iii) a letter of advice from the independent financial adviser to the independent board committee of the Company and the Independent Shareholders on the Rights Issue; and (iv) the notice convening the SGM, will be despatched to the Shareholders as soon as practicable.

Upon the approval of the Rights Issue by the Independent Shareholders at the SGM, the Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders as soon as practicable and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:00 a.m. on 31 May 2011 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 3 June 2011

DEFINITION

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday and Sunday) on which banks are generally open for business more than five hours in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Chung Nam”	Chung Nam Securities Limited, a licensed corporation to carry out type 1 regulated activity within the meaning of the SFO

“Circular”	the circular to be despatched to the Shareholders in relation to the Rights Issue (together with the notice of the SGM)
“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
“Concert Group”	Win Move and parties acting in concert with it
“Controlling Shareholder(s)”	any person who is or group of persons who are together with its associates (as defined in the Listing Rules) entitled to exercise or control the exercise of 30%. (or such other amount as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer) or more of the voting power at general meetings of the Company
“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 Underwriters
“Issue Mandate Limit”	173,162,254 unissued Shares which may be issued upon the exercise of the power of the Directors under the general mandate granted on the annual general meeting held on 27 January 2011
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholder(s)”	Shareholders other than (i) the Concert Group and (ii) parties involved or interested in Underwriting Agreement and the Whitewash Waiver

“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 31 May 2011 given by Win Move in favour of the Company
“Last Trading Day”	30 May 2011, being the last trading day before the suspension of the trading of the Shares, pending the release of this announcement
“Latest Acceptance Date”	Thursday, 28 July 2011 (or such other date as the Underwriters may agree in writing with the Company as the latest date for acceptance of, and payment for, Rights Shares and application and payment for excess Rights Shares)
“Latest Time for Acceptance”	4:00 p.m. on the Latest Acceptance Date or such other time as may be agreed between the Company and the Underwriters, being the latest time for acceptance of the offer of and payment for the Rights Shares
“Latest Time for Termination”	4:00 p.m. on Tuesday, 2 August 2011, 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 Underwriters
“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 Issue 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
“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

“Outstanding Share Options”	the outstanding Share Options to subscribe for an aggregate of 3,000,000 Shares under the Share Option Scheme, which are remain unexercised
“PAL(s)”	the renounceable provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Posting Date”	14 July 2011 or such other date as the Underwriters may agree in writing with the Company, as the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus for information only (as the case may be) to the Non-Qualifying Shareholders
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, PAL and EAF
“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 if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the undertakings, warranties and representations given by the Company under the Underwriting Agreement untrue or incorrect in any material respect
“Qualifying Shareholders”	Shareholders, other than the Non-Qualifying Shareholders
“Record Date”	Wednesday, 13 July 2011 (or such other date as the Underwriters may agree in writing with the Company), as the date by reference to which entitlements to the Rights Issue are expected to be determined
“Registrar”	branch share registrar in Hong Kong, Trior Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong

“Rights Issue”	the proposed issue by way of rights of two (2) Rights Shares for every one (1) existing Share 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 Shares”	1,731,622,544 Shares to be issued and allotted under the Rights Issue
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SFC”	Securities and Futures Commission of Hong Kong
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the proposed Rights Issue, the Underwriting Agreement and the Whitewash Waiver
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the company
“Shareholder(s)”	the holder(s) of issued Shares
“Share Option(s)”	the share options to subscribe for Shares under the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company adopted on 20 September 2007
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.338 per Rights Share
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers and Shares Repurchases issued by SFC
“Underwriters”	Win Move and Chung Nam collectively, and individually “Underwriter”

“Underwriting Agreement”	the underwriting agreement dated 31 May 2011 entered into between Win Move, Chung Nam and the Company in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	all the Rights Shares (other than the Rights Shares which are the subject of the Irrevocable Undertaking) underwritten by Win Move and Chung Nam
“Whitewash Waiver”	waiver of the obligation of the Concert Group to make a mandatory general offer for all the issued securities of the Company other than those already owned or agreed to be acquired by the Concert Group under Rule 26 of the Takeovers Code which will otherwise arise as a result of the performance of the underwriting obligations by the Concert Group under the Underwriting Agreement
“Win Move”	Win Move Group Limited, a company indirectly owned by The Albert Yeung Discretionary Trust, the founder of which is Dr. Yeung Sau Shing, Albert and of which Ms. Daisy Yeung (the Managing Director) is an eligible beneficiary
“%” or “per cent.”	percentage or per centum

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

Hong Kong, 2 June 2011

As at the date of this announcement, the Board comprises:

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

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

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.